

Grid Reliability and Inclusive Distribution Act (HB88)

Energy Distribution Planning and Required Labor Standards

With federal infrastructure funds coming to Maryland, **we have a once-in-a-generation opportunity for grid investments** that will help us meet our state goals!

The Distribution System is the part of the energy grid that the State, through the Public Service Commission (PSC), regulates. How the Distribution Grid is planned and maintained will not only determine how reliable and resilient our energy system is but also whether we can reach our clean energy and greenhouse gas reduction goals.

The PSC is beginning a Distribution System Planning and the GRID Act supports this work by:

- explicitly defining the state goals to be met by the planning process
- harnessing federal funding to support grid investments needed to meet our goals
- ensures transparency and engagement by establishing a stakeholder workgroup
- directs investments in the grid to create family-sustaining jobs.

The Grid Reliability and Inclusive Distribution Act: The Specifics

The GRID Act aims to ensure the Distribution System planning process is done in an equitable way and will produce the grid we need to have the reliable, just, future-oriented energy system that we want. The GRID Act:

- **Requires the planning process to support state goals** of decarbonization, greenhouse gas reductions, renewable energy, equity, family-sustaining employment, energy resiliency and reliability, and cost-effectiveness;
- **Assures participation of key stakeholders** by requiring the PSC to form and staff a Distribution System Planning workgroup that includes representation from energy stakeholders including residential customers, low-income communities, environmental advocacy groups, labor unions, and industry experts in electric vehicles, distributed energy resources, and distribution planning.
- **Creates transparency** by requiring an annual report from the workgroup about the distribution planning process and adopting appropriate regulations for the distribution system
- **Supports family-sustaining jobs** by requiring all distribution grid projects to:
 - Offer the area prevailing wage for each trade employed
 - Offer health care and retirement benefits
 - Participate in apprenticeship programs registered with the state for the trade
 - Develop a plan to recruit and retain state residents, including returning citizens, women, minority individuals, and veterans

What have other states done?

As states increase renewable energy goals, adjust to climate threats, and plan for a future with more electricity needs, grid modernization is a high priority. Many states have mandated that distribution planning processes directly support state energy, equity, and economic goals. Illinois¹, New York², and California³ have all used legislation to set clear parameters for the distribution planning process.

By passing the GRID Act, we can ensure that we build a grid ready for the future!

If you have any questions, please contact Delegate Lorig Charkoudian:

lorig.charkoudian@house.state.md.us ; 410-841-3423

¹ Illinois General Assembly, Illinois Climate and Equitable Jobs Act of 2021, <https://www.ilga.gov/legislation/102/SB/10200SB2408ham002.htm>, Passed enacted 15, September, 2021.

² New York State Public Service Commission, New York State Standardized Interconnection Requirements, <https://www3.dps.ny.gov/W/PSCWeb.nsf/All/DCF68FFCA391AD6085257687006F396B7OpenDocument>, March, 2021.

³ California Public Utilities Commission, Order Instituting Rulemaking to Modernize the Electric Grid for A High Distributed Energy Resources (DER) Future. 2.July, 2021.