



COMPTROLLER'S CLIMATE QUARTERLY

APRIL 2024



Brooke E. Lierman
Comptroller of Maryland

The Office of the Comptroller is committed to being a leader in combating climate change through the levers of state procurement, investment, and collaboration with state and local partners in government. The Comptroller's Climate Resilience Director helps lead these efforts in the agency. The Comptroller's Climate Quarterly is intended to update the public on climate-related initiatives in the office and across the state.

MARYLAND'S GREEN BANKS

Green banks are mission-driven financing institutions that accelerate capital investment in clean energy solutions aimed at reducing greenhouse gas emissions. They play an important role in catalyzing the investment needed to address climate change. Connecticut created the first green bank in the United States in 2011 and today more than 15 states have green banks. Maryland has three: The Maryland Clean Energy Center, Montgomery County Green Bank, and the Climate Access Fund. Earlier this month, the EPA awarded \$20 billion from the Inflation Reduction Act's Greenhouse Gas Reduction Fund to 8 national organizations that will support local green banks and communities across the country, including in Maryland.



The Maryland Clean Energy Center (MCEC)
www.mdcleanenergy.org/ is a state sponsored green bank

overseen by a board of directors appointed by the governor. MCEC's mission is to grow the green energy economy in Maryland by increasing clean energy jobs, commercializing new technologies, and facilitating consumer adoption of clean energy products and services. MCEC provides direct investment through various financing programs, while also leveraging other investments from the public and private sectors.

MCEC's newest financing program is the Climate Catalytic Capital (C3) Fund. The C3 Fund received an initial three-year, \$15 million allocation from the state legislature beginning last year with the goal of raising additional capital from federal, state, and private sources. The C3 Fund will invest in projects and technologies intended to reduce greenhouse gas emissions in the state with a target of directing 40% of investments to the benefit of low-income communities and households. The C3 Fund is governed by an oversight committee that is chaired by Comptroller Lierman.

The C3 Fund launched its first call for investment applications earlier this year. The second cycle will open in June. For more information and updates, visit www.mdcleanenergy.org/c3fund/.



Montgomery County
GreenBank
Your partner for clean energy™

The Montgomery County Green Bank (MCGB)
www.mcgreenbank.org/

is a nonprofit dedicated to accelerating energy efficiency, renewable energy, and clean energy investment in Montgomery County. In addition to providing affordable and flexible financing options to county residents and businesses, the MCGB collaborates with county agencies to help implement the county's Climate Action Plan that aims to cut greenhouse gas emissions 80% by 2027 and 100% by 2035. Building energy performance is a primary focus of the county plan. The Bank recently provided financing for rooftop solar to the Seneca Village Apartments project in Gaithersburg, a 684-unit multifamily affordable housing development that will reduce 2,000 metric tons of greenhouse gas and generate \$300,000 in annual savings on energy bills.



THE
CLIMATE
ACCESS
FUND

Climate Access Fund (CAF)
www.climateaccessfund.org/ is a statewide nonprofit focused on expanding low-income households'

access to the economic and environmental benefits of clean energy. CAF's area of focus is community rooftop solar in low-income communities. Through the model, solar panels are installed on the roof of a community building or facility in a low-income neighborhood that is then used to power individual homes in the surrounding area. CAF's first project broke ground earlier this year at the Henderson-Hopkins elementary school in East Baltimore. The project includes an 804-kilowatt rooftop system that will benefit 150 households in the neighborhood in savings of 25% on their energy bills and offsetting 27,000 metric tons of greenhouse gases over a 30-year period.

EARTH MONTH

April is Earth Month! Earth Day is April 22 every year.

The first Earth Day was in 1970 and has evolved into the largest civic event on Earth, activating billions across the world to safeguard our planet and fight for a brighter future. Each year there is a different focus, 2024 is Planet vs. Plastics, and calls to advocate for widespread awareness on the health risk of plastics, the emissions associated with their production and call for a rapid phase out all single use plastics.

Over 99% of plastic is made from chemicals sourced from fossil fuels. Fossil fuels account for over 75% of all greenhouse gas emissions, meaning fossil fuel generated plastics are directly tied to increases in greenhouse gas emissions annually. These emissions are dangerously warming our planet and causing chaotic and extreme weather that is affecting us all.

Each one of us can help. Commit to reducing your use of single-use plastics in your daily life. Say No to plastic bags, water bottles, tableware and other disposable items. Get more information here: www.earthday.org/

CLIMATE DIRECTOR'S CORNER

Kim Pezza



PROCUREMENT

As a member of the Board of Public Works (BPW), Comptroller Lierman highlights state efforts on climate resilience and sustainability in items that come before the Board. In advance of each BPW meeting, she and her team review the agenda for items that specifically address climate change. Such items from the past quarter include fully electrifying and adding solar panels to the state building leased by the Maryland Department of the Environment and a new contract to develop the state-owned building decarbonization plan, which will help the state reach its emission reduction goals. The Comptroller seeks to ensure that climate change and sustainability considerations are incorporated into all relevant state procurements, and that items brought before the BPW align with state climate goals, increase sustainable practices, and equitably address the impacts of climate change on the residents of Maryland.



INVESTMENT

As Vice Chair of the Maryland State Retirement and Pension System (MSRPS), Comptroller Lierman is committed to maximizing financial returns of the System's \$65 billion fund on behalf of 420,000 state employees and retirees by recognizing that climate risk is financial risk. Climate has recently been added to the System's annual risk assessment alongside other risks. This climate risk assessment includes: (1) an analysis of the projected impacts to financial returns associated with climate change, (2) the carbon footprint of the System's public equity portfolio, and (3) climate readiness scores of some of the companies the System invests in. These efforts are aligned with a new rule at the federal level adopted earlier this year by the US Securities and Exchange Commission (SEC) that requires public companies to disclose climate-related risks that could affect their business, operations, or financial condition.



COLLABORATION & COMMUNITY ENGAGEMENT

The Comptroller's Office is working to build partnerships with state agencies on climate change and sustainability. We will foster open and transparent communication and build stronger and collaborative relationships to work together as a state to meet our climate goals. The Comptroller's Climate Advisory council is charged with helping the Comptroller position Maryland as a national leader on climate sustainability. The Council includes subject matter experts, professionals, and advocates in the climate, sustainability, environmental justice, and resilience fields.

In addition, we are reaching out to communities, counties, nonprofits, and other stakeholders to forge even broader partnerships to address climate change and resilience. This includes working with federal partners to help local governments and communities access financial incentives in the Inflation Reduction Act to finance efforts on climate mitigation and resilience, such as installation of renewable energy and purchasing of zero emissions vehicles.