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Vicinity Energy Partners with Baltimore Gas and Electric on Key Infrastructure Investment in Baltimore

Efficiency upgrades for regional district energy provider yield 5 million kWh in energy savings, improving electrical efficiency by over 20%

Baltimore, February 28, 2023 - <u>Vicinity Energy</u>, a national decarbonization leader with an extensive portfolio of district energy systems across the United States, has been awarded \$1 million in incentives through the EmPOWER Maryland program managed by Baltimore Gas and Electric (BGE) to invest in the significant energy efficiency project that resulted in sustainable upgrades for its district chilled water facilities.

Vicinity invested \$2 million to upgrade their district chilled water plants with piping upgrades, variable frequency drives on large motors, improved instrumentation, and sophisticated computer optimization software. This project improved equipment and controls at the Vicinity chilled water system located in Baltimore. Optimum Energy LLC provided the engineering and optimization software that is the heart of the efficiency project.

The upgrade has improved the plant's overall electrical efficiency by over 20%, saving over 5 million kWh/yr. In addition to the green improvements at the facility, this upgrade increased system reliability and redundancy.

"Vicinity is proud to invest in our existing energy infrastructure today to provide our customers with a more sustainable, resilient option to heat and cool their buildings," said Mat Ware, Senior Vice President for Vicinity's South region, including Baltimore. "While we work to decarbonize our systems across the country, driving energy efficiency is critical for the communities we serve."

Vicinity Energy centrally produces and distributes steam, hot water, and chilled water to over 30 million square feet of building space in Baltimore. More than half of the steam delivered to <u>Baltimore</u> customers is generated through zero carbon, non-fossil fuel-based renewables, resulting in greenhouse gas emissions reductions of 30,000 tons annually, or the equivalent of removing about 11,000 cars from Baltimore's roads. The company also recently announced the purchase of <u>100% carbon-free electricity</u> to run its Baltimore heating and cooling operations, eliminating up to 80% of greenhouse gas emissions from cooling operations and 90% of emissions from the electricity used for heating operations.

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"We are proud to support Vicinity through Maryland's EmPOWER Maryland program and support their focus on energy efficiency, which helps to power a cleaner and brighter future for our customers," said Alexander Núñez, BGE's senior vice president of governmental, regulatory, and external affairs. "By partnering with forward-thinking companies like Vicinity we are able to bring the State of Maryland closer to its decarbonization goals. This sizable investment from Vicinity shows what we can accomplish when we work together and highlights the power of the EmPOWER Maryland program, which has helped customers reduce their average electric use by 19% since the program began in 2008."

This announcement comes on the heels of recent developments by Vicinity Energy to decarbonize its district energy systems across the country. Vicinity is on track to <u>fully</u> <u>electrify its steam</u> generation in Boston and Cambridge and introduce innovative technological advancements into its operations, including electric boilers, industrial-scale heat pumps, and molten salt thermal energy storage.

In 2022, the company kicked off its electrification plans by deconstructing a steam turbine at its Kendall Facility in Cambridge, Massachusetts. An electric boiler will be installed in its place, and will begin supplying <u>eSteam™</u> to customers in 2024. The company's other locations across the country will undergo similar electrification processes in the coming years.

About Vicinity Energy

Vicinity Energy is a clean energy company that owns and operates an extensive portfolio of district energy systems across the United States. Vicinity produces and distributes reliable, clean steam, hot water, and chilled water to over 230 million square feet of building space nationwide. Vicinity continuously invests in its infrastructure and the latest technologies to accelerate the decarbonization of commercial and institutional buildings in city centers. Vicinity is committed to achieving net zero carbon across its portfolio by 2050. To learn more, visit www.vicinityenergy.us or follow us on LinkedIn, Twitter, Instagram, or Facebook.

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