



**Testimony in Support of
Utility Regulation - Consideration of Climate and Labor (HB 0298)
House Economic Matters Committee | January 18, 2021**

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The Chesapeake Climate Action Network and our lobbying arm CCAN Action Fund have spent the past 15 years urging Maryland to take the lead on addressing the climate crisis by enacting strong climate policies. Since the first piece of legislation that CCAN supported in 2004, which mandated that 7.5 percent of the state's electricity come from renewable sources, the General Assembly has increased our clean-energy goals to 50 percent by 2030. Legislators also passed a bill reducing greenhouse gas emissions 40 percent below 2006 levels by 2030--a goal that legislators are considering increasing this year to line up with current science.

These are important steps, but all parts of the state government should be marching in the same direction on climate. Right now, however, the Maryland Public Service Commission (PSC) does not have a specific mandate to consider climate change when it makes decisions. The PSC is a core part of the state government and the principal regulator of electricity in Maryland. If the state is to meet its climate goals, then this key agency must factor climate into its decision-making and keep labor standards and equity front and center.

The climate issue came squarely before the PSC last year. Several environmental and community groups appealed the PSC's decision to approve a former coal plant's repowering to gas in part because the agency did not consider how climate change would impact the project itself. In response, the PSC Commissioners essentially said their hands were tied. The PSC stated that its governing statute "does not specifically or generally require considerations regarding climate change." The PSC staff agreed: "the Commission has never required that any consideration of climate change and its effects be included in a . . . proceeding."

Similarly, in testimony submitted to the Senate Finance Committee in 2020, the PSC stated that, "...the Commission is not mandated to make decisions about labor standards...". We need a PSC that is able to fully consider these proposals' climate change and labor impacts.

This bill is a commonsense solution that would require applicants to submit information to the PSC on greenhouse gas emissions and vulnerabilities to impacts such as sea-level rise, which the PSC would consider among the other factors it examines. Importantly, HB 0298 would also require the Power Plant Research Program (PPRP) in the Department of Natural Resources (DNR) to include an evaluation of the impact of electric power plants on climate change as part of its ongoing research. Further, the bill would require the Maryland Department of the Environment (MDE), which has an existing Climate Change Program and is already required to advise the PSC on pending applications, to include climate change in its report to the Commission. These two agencies--DNR with its PPRP unit and MDE with its Climate Change Program--could provide valuable expertise and information to the Commission as it begins to



consider climate change. The bill would also require the Commission to consider the maintenance of fair and stable labor standards for affected workers by supervising and regulating certain public service companies and requiring energy companies applying to the PSC to disclose the benefits they will give to workers on specific energy projects.

Maryland legislators, at the urging of their constituents, have committed in law to specific targets for reducing greenhouse gas emissions. House Bill 0298 would provide a necessary solution to the PSC's current limitations on considering climate change and labor impacts. It creates an effective and straightforward process to bring the PSC in line with the rest of the state's climate commitments and allows for labor standards and equity to receive fair consideration.

CCAN Action Fund urges a favorable report on House Bill 0298.

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