

Position Statement

SUPPORT WITH AMENDMENT Economic Matters Committee 3/2/2023

House Bill 839 - Investor-Owned Electric Companies - Clean Energy Homes Pilot Programs - Establishment (Maryland Resilient and Clean Energy Homes Act)

Baltimore Gas and Electric Company (BGE) supports with amendments *House Bill 839- Investor-Owned Electric Companies - Clean Energy Homes Pilot Programs - Establishment (Maryland Resilient and Clean Energy Homes Act)*. House Bill 839 would require investor-owned electric companies to file applications with the Public Service Commission (PSC) by January 1, 2024. Each pilot program must last for three years, be made available to customers by August 1, 2024, and include four separate specific programs: make ready; on-site clean energy; a multifamily housing clean energy incentive program; and a load management and electric grid support program.

BGE is an engaged and cooperative partner with the state as we work together on clean energy initiatives to meet our air quality and climate goals. Much of what is proposed in the legislation mirrors programs under development at BGE, some of which were contained in our February 17 filing with the Public Service Commission.

The legislation does not completely align with our filing; however, we have concerns that the provisions may not precisely align with the next phase of the EmPOWER program, and there are technical corrections we feel are necessary to improve the legislation.

One important technical correction is the language that would allow meter collar adapters to be installed on our electric meters. These collars would be placed between an electric meter and the meter socket to enable distributed energy resources (DERs) interconnection to the electrical grid. For a variety of safety and technical reasons, we would like to engage with other stakeholders in a comprehensive dialogue about the collars before manufacturers and third parties be allowed to attach them to our equipment.

When considering the pilot programs laid out in this legislation, the impact on the EmPOWER program must be considered. The next phase and transition of the EmPOWER program is being concurrently considered in separate legislative proposals and we urge care to ensure alignment between them and Senate Bill 663. In addition, we have some concerns pertaining to definitions in the legislation which the attached proposed amendments attempt to address.

BGE is committed to continuing our conversations with the sponsor to align around amendments to address the concerns regarding this legislation, including implementation timing, grandfathering existing programs, grid safety and reliability, and other technical details.

BGE is Maryland's largest natural gas and electric utility, providing safe and reliable energy delivery to more than 1.3 million electric customers and 700,000 natural gas customers in central Maryland. The company's approximately 3,200 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship, and community assistance. BGE is a subsidiary of Exelon Corporation (Nasdaq: EXC), the nation's leading energy utility company.