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112 West Street  
Annapolis, MD 21401

**Letter of Information – Senate Bill 1083 Public Utilities - Electric Distribution System Planning - Regulations, Plans, and Fund**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully offers this letter of information on **Senate Bill 1083 Public Utilities - Electric Distribution System Planning - Regulations, Plans, and Fund**. While we understand additional amendments may be offered, as drafted, this legislation alters the date from July 1, 2025 to December 31, 2025 by which the Public Service Commission (PSC) shall adopt regulations or issue orders to implement policies related to the electric distribution system planning (DSP) and improvements to meet Maryland’s climate goals. Senate Bill 1083 also specifies that the regulations adopted must include requirements for vehicle and building electrification that align with State goals and mandates, and guidelines for electricity load forecasts. Lastly, by January 1, 2026 each electric company shall submit to the PSC an electric distribution system expansion plan that incorporates load forecasts, considers what percentage of anticipated new electric load can be mitigated, accounts for growth in vehicle and building electrification on timelines of 3, 5, and 10 years, works to coordinate or integrate with gas companies to ensure that new electric capacity is available ahead of anticipated increases in electricity demand, identify optimal locations for the deployment of distributed energy resources (DERs), and includes protocols for data sharing that protect customers while facilitating meaningful exchange of usable information.

Pepco and Delmarva Power recognize the importance of having a transparent distribution system planning process that supports the State’s policy goals and have been actively participating in the current DSP work group at the PSC. As drafted, Senate Bill 1083 is not entirely consistent with the ongoing DSP work group process at the PSC and may undermine the progress of existing efforts. The framework for the current DSP began in February of 2021 when the National Association of Regulatory Utility Commissioners (“NARUC”) and the National Association of State Energy Officials (“NASEO”) formed a task force to bring together state regulatory and energy policy agencies to develop ways for states to both increase involvement in distribution system planning, and to further align planning processes with state goals and the proliferation of distributed energy resources. Maryland representatives on the task force recommended to the PSC that a Maryland specific DSP workgroup be created to receive comments from stakeholders on Maryland’s approach to the DSP process.

Additionally, in 2022, the Climate Solutions Now Act of 2022 (CSNA) further codified the requirements of the DSP process outlined from NARUC and NASEO for the PSC and directed the PSC to include information in a report to the General Assembly that provided information on the status of DSP planning in the State and information within the DSP process that promote specific State goals related to decreasing greenhouse gas emissions, energy efficiency, incorporating energy storage technology, and provide additional capacity to accommodate increased distributed energy resources (DERs) among other goals. As a result of the passage of CSNA the PSC opened a new docket (Case No. 9665) to address the policy goals set forth in PUA §7-802. Additionally, in August of 2023, the PSC issued Order No. 90777 directing the DSP workgroup to file its final report on April 30, 2024. Many areas of consensus have been reached by the stakeholders in the work group already. During the remainder of 2024, the workgroup will be actively working to develop draft regulations with a target for approval of final regulations and implementation by July 1, 2025. Pepco and Delmarva Power will continue to participate in the ongoing phase 2 DSP workgroup at the PSC.

Pepco and Delmarva Power hope you find this information helpful, and we look forward to reviewing additional amendments and continuing conversations with the bill sponsor and all stakeholders involved to ensure we are not duplicating the current efforts of the DSP work group at the PSC, while recognizing the importance of the process.

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