



March 3, 2026

Environment & Transportation Committee

HB 1532

Continuing the Next Generation Energy Act

Sponsor: The Speaker

Katie Mettle

Policy Principal, Maryland & New Jersey, Advanced Energy United

FAVORABLE WITH AMENDMENTS

Dear Chair Korman, Vice Chair Guyton, and esteemed members of the Environment and Transportation Committee:

Advanced Energy United is a national industry association that represents companies operating in the clean and advanced energy spaces. “Advanced energy” broadly refers to technology that consists of, or is compatible with, clean energy generation, and makes our grid more affordable, efficient, reliable, resilient and/or secure. Our mission is to accelerate the transition to 100% clean energy economy.

There are several components of HB 1532 that are beneficial to ratepayers. Allowing for rate variances and reconciliations in multiyear rate plans to issue refunds and tasking a third-party administrator with administering the EmPOWER program will improve accountability to ratepayers. Identifying up to 50 priority energy sites, and studying how we can streamline and fast-track energy development, will help get new generation and storage online faster, which is critical to resolving the supply-and-demand issue that has driven up wholesale energy prices.

However, we would like to offer some amendments and food for thought on a few other pieces of the bill:

1. **We suggest amending page 2, line 20 from “25 megawatts” to “75 megawatts.”**
Reducing the large load tariff from 100 MW to 25 MW may be unnecessary and have unintended consequences. Lowering the threshold so dramatically may include industrial customers who are not data centers. Given that data centers are frequently much larger than 100 MW and are continuing to grow in size, it may be more prudent to lower the threshold from 100 MW to a number like 75 MW instead. This could include the largest load customers, while avoiding unintentional economic impacts from including the spectrum of industrial customers this bill would include as written.
2. **We suggest striking page 8, lines 14-18.** This language removes heat pumps from the EmPOWER program. About half the energy used in the average household goes to heating and cooling. Heat pumps can be used for both. They use about one-half to one-third the amount of electricity as electrical resistance furnaces, and they use less electricity than air conditioning.

An analysis by Advanced Energy United demonstrated that if Maryland reduced emissions 10% by 2035 solely by replacing air conditioning paired with fossil fuel heating with heat pumps in enough homes to meet that goal, we would lower peak demand by 85 MW. If we were to lower emissions 40% by 2035 with heat pumps, we would lower peak demand by 490 MW – enough savings to avoid building an entire gas peaker plant.

Heat pumps don't just save individual customers money – saving energy benefits all ratepayers by lowering peak demand, which places downward pressure on wholesale electricity prices. About 80% of Maryland households do not have a heat pump yet ([RMI](#)) – so there is an incredible amount of potential to lower energy consumption in Maryland, which will lower rates for everyone.

This bill makes a few other changes to the EmPOWER program, including temporarily adjusting the program cycle and phasing in the greenhouse gas emissions goals more gradually.

It is very important to understand that the energy savings we have seen from EmPOWER have directly lowered wholesale electricity prices. For example, phase 1 of EmPOWER, which ran from 2008-2015, lowered the kWh rate by 3.4 cents, sold \$392 million worth of energy efficiency and demand response into the PJM Capacity Market Auction (which helped offset the cost of the program), and in 2015, energy efficiency and demand response lowered those auction price for delivery year 2018-2019 by 29.4% ([ACEEE](#)). In 2015, the average Maryland customer saved \$340 on their energy costs thanks to EmPOWER ([ACEEE](#)).

In phase 1, \$1.3 billion was spent, which yielded \$2.4 of benefits by 2015, with a projected \$4.4 billion in ratepayer savings over the life of the investments that had been made. ([ACEEE](#)).

- 3. We suggest striking the nuclear provisions on page 9, lines 19-25; and page 10, lines 26-32.** These provisions lay the groundwork to pass onto ratepayers even higher costs if we build new nuclear generation. Nuclear is the most expensive form of generation to build, with a history of cost overruns and delays. A nuclear plant has never been built without ratepayer subsidies.

Sixteen years ago, Georgia decided to build two new nuclear power reactors and make their residents frontload a share of the construction costs. It was projected to cost \$14 billion and take eight years to construct. The final project cost \$35 billion and took fifteen years. That's 2.5 times the cost, and nearly twice the time.

There are cheaper ways to generate and save electricity to meet projected load growth. [Advanced Energy United released a study](#) last month that showed that data center load growth is projected to increase by 30 GW by 2030 in the PJM region. However, if we roughly double the use of advanced energy technologies (such as advanced transmission technologies, distributed energy resources, and large-scale renewables and battery) over current projections under a "business as usual" scenario between now and 2035, we can offset that projected load growth, reduce peak load by 17% by 2030 and 22% by 2035, and save \$178 billion by 2035.

This bill has several provisions that would benefit ratepayers. Allowing for the possibility of refunds to ratepayers, creating more accountability for the EmPOWER program by allowing a third-party administrator to administer it, and accelerating the buildout of new generation and storage would all create meaningful progress in our state.

Thank you for your time and consideration. Advanced Energy United respectfully requests a favorable report with the amendments we have suggested.

Best Regards,

Katie Mettle, Policy Principal
Advanced Energy United
kmettle@advancedenergyunited.org
202.380.1950 x3197