

SENATE BILL 270

C5, M5
SB 675/25 – EEE

6lr2333
CF HB 674

By: **Senators Carozza, Brooks, Gallion, Harris, Hershey, Hester, Simonaire, Watson, and West**

Introduced and read first time: January 19, 2026

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 2, 2026

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Full Costs and Benefits Analysis of Sources of**
3 **Electricity Generation**

4 FOR the purpose of requiring the Public Service Commission to conduct an analysis of the
5 full costs and benefits of sources of electricity generation in the State; and generally
6 relating to a study on electricity generation.

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
8 That:

9 (a) In this section, “Levelized Full System Cost of Electricity” means a formula
10 that:

11 (1) calculates the costs of serving the entire State electricity market using
12 only one energy source plus energy storage; and

13 (2) uses the following inputs:

14 (i) capital costs of the generating facility;

15 (ii) distribution system costs;

16 (iii) maintenance and operating costs;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 (iv) the cost of capital;
2 (v) capacity factors;
3 (vi) ramping up and down times; and
4 (vii) the annual electricity demand by hour in the target market.

5 (b) The Public Service Commission shall conduct a full costs and benefits analysis
6 of sources of electricity generation in the State.

7 ~~(b)~~ (c) The analysis shall:

8 (1) identify the costs of electricity to ratepayers assuming that the State
9 electricity market is served by the following generation mixes:

- 10 (i) natural gas energy at its current capacity;
11 (ii) nuclear energy at its current capacity; ~~and~~
12 (iii) 8,500 megawatts of offshore wind energy capacity;
13 (iv) solar energy at its current capacity; and
14 (v) energy storage at its current capacity;

15 (2) include the additional costs of electricity generation necessary to offset
16 reliability issues and the intermittency of offshore wind energy and solar energy;

17 (3) use the Levelized Full System Cost of Electricity model to analyze the
18 costs of meeting the State's electricity needs from:

- 19 (i) only natural gas energy and energy storage;
20 (ii) only nuclear energy and energy storage; ~~and~~
21 (iii) only offshore wind energy and energy storage; and
22 (iv) only solar energy and energy storage;

23 (4) identify the costs for natural gas energy, nuclear energy, ~~and~~ offshore
24 wind energy, and solar energy if energy storage is available to offset reliability and
25 intermittency issues; and

26 (5) include recommended policy changes to support the development of the
27 energy sources with the lowest costs and greatest benefits to the ratepayers of the State.

1 ~~(e)~~ (d) On or before December 1, 2027, the Public Service Commission shall report its
2 findings and recommendations to the Senate Committee on Education, Energy, and the
3 Environment and the House Environment and Transportation Committee, in accordance
4 with § 2-1257 of the State Government Article.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2026.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.