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# The PJM Power Providers (P3)

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Before the House Economic Matters Committee

Testimony of the PJM Power Providers Group

House Bill 1545

March 5, 2020

The PJM Power Providers Group (P3) respectfully submits these comments on House Bill 1545. P3 is a non-profit organization made up of power providers whose mission is to promote properly designed and well-functioning competitive wholesale electricity markets in the 13-state region and the District of Columbia served by PJM Interconnection.<sup>1</sup> Combined, P3 members own more than 65,000 megawatts of generation assets in PJM and produce enough power to supply over 55 million homes. P3 members own generation facilities in Maryland and serve Maryland consumers as competitive retailer providers.

P3 supports the efforts of Maryland and other states to reduce carbon emissions from all sectors of the economy including energy generation, provided the appropriate means are employed to pursue those goals. Specifically, P3 supports market-based and technology-neutral strategies to achieve carbon reductions. Unfortunately, House Bill 1545 is not consistent with such an approach and will likely result in Maryland consumers paying more than they otherwise should for carbon reductions.

House Bill 1545 is a blunt instrument – targeting specific facilities and placing unobtainable emissions requirements on these facilities in a clear attempt to force the shutdown of the units. Targeting one source of energy generation is not a reasonable or economic way to achieve an overall reduction in carbon emissions. House Bill 1545 ignores any cost or reliability concerns that

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<sup>1</sup> The views expressed in these comments represent the views of P3 the organization and do not necessarily reflect the views of individual P3 members with respect to any issue. For more information on P3: [www.p3powergroup.com](http://www.p3powergroup.com).

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could arise for the closure of these targeted facilities while providing no means to address any of these concerns should they arise. P3 urges the Committee to reject such an approach in pursuit of its carbon reduction goals.

Instead, P3 would encourage Maryland to pursue its carbon reduction goals through market-based, technology neutral means that do not expose consumers to price and reliability risks. P3 and its members stand ready, willing and able to assist Maryland in its transition to a clean energy future. Collectively, our members have invested tens of billions of dollars in power generation and are willing to continue to invest at risk capital provided the market is appropriately structured. Efficient power production from P3 member companies has driven generation prices in PJM to all-time lows. Maryland citizens can continue to benefit from these competitive forces, provided the market is structured properly, and achieve clean energy goals.