

Testimony by Patti Hankins, Co-Chair
Stop Transource Power Lines MD, Inc.

MD Senate Finance Committee Hearing February 25, 2020

Senate Bill 578 Electricity – Consideration for Certificate of Public
Convenience and Necessity and Overhead Transmission Lines

Senators: I am providing testimony today in support of SB 578. North Harford County residents have been battling the Transource high transmission electric project for almost three years. We have learned during these years that Maryland taxpayers and MD electric ratepayers will be required to pay for a PJM process that is broken. A process that is meant to bring reliable and affordable electricity to Maryland residents. PJM failed to admit in November 2017 what North Harford residents knew, that PJM's Transource project could easily have been placed on existing BGE infrastructure. PJM VP Steve Herling admitted this during testimony to the MD Public Service Commission in May 2019 after enormous pressure from MD's DNR Power Plant Research Program.

MD has extensive existing electric transmission infrastructure. Large segments of this infrastructure are in need upgrades. Some of it was built in 1910's-1930's. Upgrades would allow for greater movement of electricity along the electrical grid. PJM stated at their February 8, 2018 Transmission Expansion Advisory Committee meeting that upgrades are the most cost-effective solutions. With today's advances additional capacity can be created by utilizing bundled conductors increasing voltages from 115 kV to 138 kV; 230 kV to 345 kV; 500 kV to 765 kV. Currently PJM's Market Efficiency BGE Project 5-E, labeled baseline 2992 is before the MD PSC for an Administrative Hearing on February 26, 2020. Project 5-E will add bundled conductors to their Conastone-Graceton and Graceton-Bagley-Raphael double 230 kV transmission circuits. In 2017 BGE completed the NETSI upgrade to these very same transmission lines adding a second 230 kV circuit, using the same ROW with no additional land required and lessening the environmental footprint by replacing lattice towers with monopole towers.

Why shouldn't this be Maryland's standard each and every time an electricity project moves through the PJM Regional Transmission Expansion Plan and MD PSC? Why should MD taxpayers pay for a lengthy and costly legal process at the MD PSC, MD DNR PPRP and the MD Office of People's Counsel, when using existing infrastructure would create less of a public outcry and make more economical sense? The burden of proving that new greenfield high voltage electric transmission is required should be placed on a company seeking a project to increase their market footprint, not MD citizens. MD electric ratepayers should be assured that every step is taken to prevent them from paying higher rates unless absolutely necessary. In addition, land that is in conservation easements at taxpayer expense should never be a target by PJM and their affiliated members and viewed as "undeveloped land". Land placed in conservation easements is meant to be preserved.

PJM has proven over and over again that their analysis of the cost benefit vs. the cost for a project, the B/C ratio is faulty. For example, the B/C ratio of BGE's Project 5-E was initially \$8.14/\$1 in 2018, currently the B/C ratio is \$1.11/\$1, far below PJM's required threshold of \$1.25/\$1. PJM's B/C analysis for the Transource project has repeatedly changed and is far less cost effective than initially touted.

The leadership of Stop Transource is available to discuss the information we have gathered since June 2017 regarding PJM's processes of approving electric transmission projects. Please give a favorable report for SB 578. Thank you.