



An Exelon Company

Position Statement

OPPOSE
Economic Matters Committee
2/3/2022

House Bill 88 Public Utilities - Energy Distribution Planning and Required Labor Standards

Baltimore Gas and Electric Company (BGE) opposes *House Bill 88: Public Utilities - Energy Distribution Planning and Required Labor Standards*. House Bill 88 would establish a Distribution System Planning Workgroup to study issues related to energy distribution planning and implementation; require the Public Service Commission to adopt regulations related to energy distribution planning and implementation; and establish labor standards for contractors and subcontractors. The requirements of the bill are overly prescriptive and costly. The legislation will unnecessarily delay the critical process of planning for the electric distribution system while diminishing the Public Service Commission's authority and discretion to manage a process that appropriately ensures statewide service reliability.

HB 88 outlines vague and potentially conflicting objectives for the distribution planning progress but fails to recognize that a thoughtful and inclusive planning process is currently active under the direction of the Public Service Commission. The listed goals include decarbonization and greenhouse gas reduction; renewable energy, equity, family sustaining employment; and achieving energy distribution resiliency and reliability.

The PC44 Distribution System Planning (DSP) Work Group process has been active for over a year. BGE has had the opportunity to better understand the goals of the Work Group from the Technical Conference in March 2021 as well as various public educational sessions in the interim.

The PSC is actively managing a DSP process that is transparent, inclusive, and considerate of the MD state policy goals. Specifically, key topics such as (a) distributed energy resources/electric vehicle integration, (b) equitable access to clean energy, (c) decarbonization, (d) consideration of non-wires alternatives (e) demand response, and (f) resiliency (among other topics) were echoed in filed comments and verbal discussions.

If enacted, HB 88 would derail the inclusive process that has been underway for nearly a year. In addition, this legislation would hamper the PSC and utilities' ability to respond to emerging concerns, opportunities, and technologies in the DSP process.

For the reasons stated above, BGE opposes HB 88 and recommends an unfavorable Committee report.