

February 15, 2022

SB 525: Public Utilities – Energy Distribution Planning and Required Labor Standards

Committee: Senate Finance

Position: Opposed

Southern Maryland Electric Cooperative (SMECO), a member-owned electric cooperative based in Hughesville that provides electricity to more than 169,000 member accounts in Charles, St. Mary's, Calvert and southern Prince George's County, opposes Senate Bill 525. The bill requires the Public Service Commission (PSC) to establish a workgroup to study electric distribution planning. SMECO believes SB 525 is unnecessary because it duplicates an effort already underway at the PSC, specifically the Distribution System Planning docket in Case No. 9665.

Within that docket, the PSC established a Distribution System Planning Work Group (DSPWG), issued an RFP and secured the services of Silverpoint Consulting to lead and facilitate the workgroup process. SMECO believes this workgroup and docket is the proper place for these discussions to take place and many of the matters presupposed in SB 525 will be covered during this process.

SB 525 proposes to create a new workgroup consisting of numerous state government agencies, labor groups and utilities. According to the PSC, the current DSPWG represents a broad group of more than 80 individuals from state agencies, Maryland utilities, interest groups, renewables industry and national policy experts. SMECO is concerned that the redundancy of the requirements in House Bill 88 will overburden an already complex topic and could produce conflicts that may alter recommendations from the PSC workgroup.

SMECO believes that Distribution System Planning is vitally important as we continually see the advent of new technologies in the renewable energy space. We must do this while maintaining a stable reliable electric delivery system that is affordable for our membership. We believe those topics

For more information, contact: **Tom Dennison**, SMECO

Government & Public Affairs Managing Director

240-506-6772 • Tom.dennison@smeco.coop



1-888-440-3311

P.O. Box 1937, Hughesville, MD 20637

www.smeco.coop

People. Power. Progress.

are well underway at the PSC and layering on the additional requirements as prescribed in SB 525 is unnecessary. For that and the reasons explained above, SMECO urges the committee to give an unfavorable report to SB 525.

For more information, contact: **Tom Dennison**, SMECO

Government & Public Affairs Managing Director

240-506-6772 • Tom.dennison@smeco.coop