

Committees: Economic Matters
Testimony on: HB1112 – Public Service Commission – Energy Storage Devices - Acquisition
Submitting: Deborah A. Cohn, Individual
Hearing Date: March 7, 2024
Position: Favorable

In 2023, [PJM requested FERC's approval for 25 transmission upgrade projects](#)¹ in its Regional Transmission Expansion Plan (RTEP) in light of the planned closure of the Brandon Shores coal-fired power generation plant. PJM described the upgrades as “immediate-need reliability projects”²

Maryland officials opposed the transmission upgrades as costly and reflective of the failure of grid transmission planners to plan for anticipated closures of coal-fired electric power generators throughout the state. While the Federal Energy Regulatory Commission (FERC) concluded that Maryland’s concerns were beyond the scope of FERC’s review of the proposed emergency transmission upgrades, one commissioner [wrote separately](#) and encouraged PJM Interconnection, the grid operator, to “carefully examine potential changes to planning processes so as to better anticipate reliability risks and plan for them in a more proactive manner, such that a full suite of cost-effective solutions can be more carefully considered.”³

HB1112 addresses this failure of forward-thinking planning in connection with the anticipated closure of the Brandon Shores generating plant. It directs the Public Service Commission (PSC) to determine whether deployment of energy storage devices could avoid or at least limit “reliability-must-run” agreements with existing energy generating systems, typically older, polluting fossil fuel based systems, when closure of such generating systems is anticipated. If the PSC determines that use of storage devices would be a cost-effective solution to avoid or minimize use of reliability-must-run agreements to ensure grid reliability, then HB1112 requires to PSC to facilitate acquisition of the energy storage facilities.

In effect, HB1112 attempts to harness the oversight of the PSC to minimize grid reliability crises and undesirable and perhaps avoidable emergency “reliability must run” agreements. While it does not address future emergency expansions of transmission capacity, capitalizing on the PSC’s ability to require advanced planning for known generating plant closures could enhance grid reliability, facilitate installation of additional energy storage facilities when appropriate, and likely reduce overall costs.

Since closure of several coal fired generators is anticipated, HB1112 is sorely needed. Accordingly, I urge this Committee to issue a **favorable** report on HB1112.

Thank you.

Deborah A. Cohn

¹ Note, all links are from article cited in ftn.2

² “FERC Approves PJM’s \$796M Transmission Plan, Thwarting Maryland Officials,” Power Grid International, November 13, 2023, https://www.power-grid.com/td/ferc-approves-pjms-796m-transmission-plan-thwarting-maryland-officials/?utm_source=powergrid_weekly_newsletter&utm_medium=email&utm_campaign=2023-11-14

³ Ibid.