



Maryland

Energy Administration

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee
FROM: MEA
SUBJECT: HB 1315 - Public Service Commission - Electricity Generation Facilities - Premature Retirement (Keep the Lights On Act)
DATE: March 7, 2024

MEA Position: UNFAVORABLE

This bill aims to prolong the operation of certain electricity generation facilities in the state, including fossil fueled generation.

Maryland has already reduced greenhouse gas emissions faster than almost any other state, achieving a 30 percent reduction in statewide emissions from 2006 levels by 2020. In 2022, the Maryland General Assembly passed the Climate Solutions Now Act (CSNA), establishing the most ambitious greenhouse gas reduction goals in the nation. By promoting the continued operation of fossil fueled generation, this bill is inconsistent with Maryland's climate goals, specifically the 60% reduction in greenhouse gas emissions required by the CSNA.

Additionally, the bill overstates the Public Service Commission's (PSC's) role in regulating generation. Under the Electric Customer Choice and Competition Act of 1999, generation facilities were largely deregulated. Though the PSC still has siting authority over the siting of generation facilities in the state, it has little authority over activations and deactivations which, instead, are determined by market forces. Ultimately, it is the generators that make decisions to retire based on market forces, and the competitive market is relied upon to provide new generation or transmission assets to maintain a reliable and resilient electricity grid.

For these reasons, MEA urges the committee to issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).