

Letter of Information
Education, Energy, and the
Environment
3/5/2024

Senate Bill 96 - Environment - Impact of Environmental Permits and State Agency Actions

Baltimore Gas and Electric Company (BGE) is pleased to submit this letter of information for **Senate Bill 96 - Environment - Impact of Environmental Permits and State Agency Actions**. *Senate Bill 96* requires the Maryland Department of the Environment (MDE) to conduct a Climate and Equity Evaluation before issuing a new permit for a project impacting an underserved or overburdened community.

BGE is committed to providing reliable, resilient, and affordable energy to our customers. We strongly support policies that facilitate an equitable energy transition and minimize any environmental impacts. BGE is on a Path to Clean to cut our own operational emissions and ultimately achieve net-zero emissions, while helping customers reduce their emissions through affordable, equitable and reliable programs.

BGE believes equity is a component of the energy transition. However, *Senate Bill 96* will create barriers for many utility projects undertaken to further the state's ambitious climate goals as well as to provide the state's residents with safe and reliable service. Utilities will need to make significant investments in the distribution system infrastructure to meet the state's ambitious climate goals. The state's goals will require infrastructure to be constructed or upgraded across Maryland, including 250 new or upgraded substations in BGE's service territory.

Senate Bill 96 requires MDE to conduct a Climate and Equity Evaluation before issuing a new permit. MDE, in coordination with the Maryland Department of Health, may also conduct a health assessment to determine the impact of the proposed project permit 60 days after determining that issuing an approval for a new permit may impact an underserved or overburdened community. BGE is concerned that the proposed changes

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

in *Senate Bill 96* and other state policies would create barriers and delays with siting and permitting the infrastructure projects needed to meet the state's greenhouse gas reduction goals. Moreover, the legislation provides no guidance as to how the results of the evaluation are to be utilized in determining whether or not a permit should be granted or denied.

Utilities need practical implementation policies that streamline the siting and permitting processes to build and operate the future electric grid that will incorporate renewable, distributed generation assets such as solar and wind. *Senate Bill 96*, in its current form, would significantly impair that ability to enable utilities to deliver the energy needed to meet future customer demands.

While BGE is committed to continuing our conversations with the bill sponsor to address our concerns regarding this legislation, we believe a workgroup should be convened during the interim to address the concerns of all the various stakeholders throughout the State.

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Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281