

Letter of Information
Economic Matters
Environment and Transportation
2/21/2024

House Bill 24 - Environment - Impact of Environmental Permits and State Agency Actions

Baltimore Gas and Electric Company (BGE) is pleased to submit this letter of information for **House Bill 24 - Environment - Impact of Environmental Permits and State Agency Actions**. *House Bill 24* 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, *House Bill 24* 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.

House Bill 24 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 in *House Bill 24* and

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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. *House Bill 24*, in its current form, would significantly impair that ability to enable utilities to deliver the energy needed to meet future customer demands.

BGE is committed to continuing our conversations with the bill sponsor to address our concerns regarding this legislation.

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