

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee

FROM: MEA

SUBJECT: HB 1218 - Construction and Expansion of Transmission Lines and Task Force to

Develop a Realistic Electricity Plan for Maryland

DATE: February 21, 2025

MEA Position: UNFAVORABLE

House Bill 1218 establishes a Task Force to develop a realistic electric plan for Maryland to study & make recommendations on the State's current and future electricity needs and prohibits the Maryland Public Service Commission (PSC) from approving the construction or expansion of transmission lines in the State from July 1, 2025, through May 1, 2026.

The bill as written poses significant risks to the state's energy infrastructure, affordability, and reliability. The proposed moratorium on the construction and expansion of transmission lines could jeopardize critical projects like the Brandon Shores Mitigation Project, which are essential for maintaining grid reliability in the Baltimore Gas and Electric (BGE) zone. Delays in this project would extend the use of costly Reliability Must Run (RMR) agreements, increasing electricity costs for Maryland residents.

The bill's directive to limit policy options to in-state nuclear expansion, renewable energy, and transmission upgrades neglects crucial demand-side solutions. Energy efficiency programs and distributed energy resources can reduce demand during peak periods, enhancing reliability and lowering costs.

Additionally, the bill places an undue burden on the Maryland Energy Administration (MEA) to staff the task force without providing adequate resources. This unfunded mandate could hinder the task force's effectiveness. The exclusion of the Maryland Department of Natural Resources Power Plant Research Program further limits the task force's scope and expertise.

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 Megan Outten, Policy manager, at megan.outten@maryland.gov or 443.842.1780.