

Oppose  
Economic Matters  
2/20/2025

## **House Bill 645 - Transmission Line Siting - Comprehensive Plan, Recommendation, and Reporting Requirements**

Baltimore Gas and Electric Company (BGE) opposes *House Bill 645 – Transmission Line Siting - Comprehensive Plan, Recommendation, and Reporting Requirements*. House Bill 645 requires local jurisdictions to update their comprehensive plans to include an electric system planning element and prescribes that electric utilities submit an annual report to each county in their service territory outlining their compliance of the respective electric system planning element. The bill also expands the recommendations the Public Service Commission (“Commission”) must consider prior to taking final action on an application for a Certificate of Public Convenience and Necessity (“CPCN”). Lastly, House Bill 645 requires electric companies to consider constructing underground, rather than traditional overhead, transmission lines.

As a utility providing electricity to 1.3 million customers and natural gas to more than 700,000 customers in Central Maryland, BGE is concerned this legislation would create additional financial and operational burdens that economically disadvantage Maryland ratepayers and impede progress in addressing regional resource adequacy challenges in the State.

BGE opposes this legislation for several reasons. First, House Bill 645 mandates electric utilities to submit new annual filings with local jurisdictions regarding efforts to comply with the newly created electric system planning element in local comprehensive plans. This requirement introduces an unnecessary administrative burden on electric utilities and creates ambiguity about the Commission’s preeminent role in energy planning and the siting of energy infrastructure that impacts the entire State in terms of reliability, costs, and impacts to residents.

The current CPCN process, which typically takes 12 to 18 months to complete, already mandates that the Commission consider the recommendations of local governing bodies regarding the construction of overhead transmission lines. House Bill 645 introduces additional administrative requirements that are redundant and will likely result in increased costs for ratepayers and potential delays in the siting of new transmission lines, which are essential for addressing resource adequacy challenges in the State. The Maryland Supreme Court has determined that the Commission has the primary authority, as compared to local jurisdictions, to determine the routing of overhead transmission lines. In their decision, the Court identified important policy reasons why the General Assembly had given the primary authority to the Commission in this area, including that the Commission is the only entity with a statewide perspective and statewide responsibilities regarding energy policy and decision-making. The Commission is not to disregard local concerns and, in fact, under current law, is required to give local concerns "due consideration." The Commission must balance this consideration with what is in the best interest of the State as a whole. One of the primary reasons for the enactment of the CPCN process was to create one process for the consideration of the siting and permitting of energy infrastructure projects that are necessary and important to the State.

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.

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Furthermore, any restrictions on constructing new transmission lines within a certain distance of existing transmission corridors would undermine the necessary flexibility for utilities and the Commission to evaluate all potential routes. This flexibility is crucial for identifying optimal routes that best serve the public interest by balancing costs, impacts on natural resources, socioeconomic factors, and addressing reliability and economic issues.

Lastly, provisions requiring the consideration of undergrounding transmission lines are impractical. Undergrounding transmission lines is significantly more challenging than undergrounding distribution lines due to technological and financial constraints. The cost to construct underground transmission lines is 5 to 10 times more than overhead transmission lines.

BGE remains committed to supporting Maryland's energy transition and supports policies that keep affordability, resiliency, and reliability a priority. House Bill 645 will cause higher energy bills for Maryland residents and reduced reliability and safety of the electrical grid due to project delays or cancellations caused by increased administrative processes and burdens. For these reasons, BGE requests an unfavorable report.