



February 21, 2025

112 West Street
Annapolis, MD 21401

Oppose – House Bill 1218 – Construction and Expansion of Transmission Lines and Task Force to Develop a Realistic Electricity Plan for Maryland

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) oppose **House Bill 1218 Construction and Expansion of Transmission Lines and Task Force to Develop a Realistic Electricity Plan for Maryland**. House Bill 1218 establishes the Task Force to Develop a Realistic Electricity Plan for Maryland to study and make recommendations on the state's current and future electricity needs. The bill prohibits the Public Service Commission (Commission) from approving the construction or expansion of transmission lines in the state from July 1, 2025 through May 1, 2026.

While Pepco and Delmarva Power are notionally supportive of a collaborative and comprehensive assessment of the state's electricity needs to determine effective and viable solutions, this bill would create substantial delays to critical infrastructure projects and inadvertently further exacerbate the state's resource adequacy challenges.

The provision of the bill that would prevent the Commission from approving construction or expansion of transmission lines from July 1, 2025 through May 1, 2026 would not only directly affect transmission projects, but could also have a significant indirect impact on future energy and capacity prices, ultimately increasing cost for consumers. Such a requirement would delay or cancel future transmission projects and could prevent utilities from constructing the necessary upgrades required to allow new generators to interconnect to the grid and provide much needed electricity to Maryland customers. Maryland is a net importer of generation with two major power plants set to retire. While the bill purports to limit Maryland's reliance on out-of-state electricity imports to no more than 25%, the real impact would exacerbate the resource adequacy challenges that Maryland is already facing. With fewer energy resources available to meet demand, both energy and capacity prices could rise, resulting in Maryland's need to import even more energy to supply its residents and businesses. This is counterproductive to efforts the state is making to identify long-term solutions to effectively address resource adequacy needs.

For these reasons, Pepco and Delmarva Power respectfully urge an unfavorable report for House Bill 1218.