

OPPOSITION
Economic Matters
3/6/2025

House Bill 1396 – Property Rights Protection Act of 2025

Baltimore Gas and Electric Company (BGE) strongly opposes *House Bill 1396 – Property Rights Protection Act of 2025*, which purports to safeguard property rights by imposing restrictions on the use of eminent domain for transmission projects. Specifically, the bill prevents the use of eminent domain to acquire property for constructing power lines or generating stations that produce electricity from wind or solar energy. It also bars the state or any of its subdivisions from acquiring property through condemnation if the property is encumbered by conservation easements.

House Bill 1396 restricts condemnation actions, adding hurdles to the State's energy transition. Maryland's ambitious decarbonization goals necessitate substantial investments in electric infrastructure to reliably meet current and future demands. Critical infrastructure components, such as new transmission lines, substations, and feeder lines, are essential for achieving full electrification. *House Bill 1396* will impede the construction of these vital projects, worsening resource adequacy challenges. The rapid increase in energy demand, along with the retirement of generating plants, requires strengthening grid reliability and resiliency. Increased litigation could result in significant delays or cancellations of important projects, as utilities face higher costs and extended timelines due to these legal challenges. With Maryland's push for electrification and decarbonization by phasing out gas and energy generation, there is a greater demand for electric transmission corridors. Moreover, during the Certificate of Public Convenience and Necessity process, the Maryland Public Service Commission carefully evaluates the alternatives considered to ensure that the most appropriate corridor was selected.

Additionally, *House Bill 1396* would compel BGE to take longer, less efficient routes for transmission projects, leading to higher costs for design, acquisition, construction, and maintenance. These increased costs would ultimately be passed on to customers through higher monthly bills.

For these reasons, BGE opposes *House Bill 1396* and requests an unfavorable report.

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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