

Tuesday, March 11, 2025

TO: C. T. Wilson, Chair of the House Economic Matters Committee; and Committee Members
FROM: Cait Kerr, The Nature Conservancy, State Policy Manager; and Michelle Dietz, The Nature Conservancy, Director of Government Relations
POSITION: Support HB 1079 Public Service Commission - Study on the Electric Transmission and Distribution System

The Nature Conservancy (TNC) supports HB 1079 offered by Delegates Fraser-Hidalgo and Wilson. TNC is a global conservation organization working to conserve the lands and waters on which all life depends. In Maryland, our work focuses on delivering science-based, on-the-ground solutions that secure clean water and healthy living environments for our communities, reducing greenhouse gas emissions and increasing resilience in the face of a changing climate. We are dedicated to a future where people and nature thrive together.

HB 1079 tasks the Public Service Commission (PSC) with conducting a study to assess the potential application of grid-enhancing technologies and advanced conductors in order to ensure system reliability and safeguard the cybersecurity and physical security for our state's electric transmission and electric distribution systems. This study will identify risks to resource adequacy, identify alternatives to transmission line construction such as grid-enhancing technologies, recognize the economic, environmental, and social impacts of these alternatives, present input from the public and local governments on the topics of this study, and identify necessary investments to modernize electricity transmission and distribution. Through conducting this study, analyzing potential impacts, and allowing for public input, HB 1079 offers a road map for our state to modernize our grid to meet energy demand, promote energy efficiency, and minimize environmental and social impacts.

After a history of flat, or even declining, electricity consumption dating back to the 2010s, demand is now on the rise; Maryland needs to create a pathway toward achieving resource adequacy to meet current and future electric load requirements. HB 1079 proposes steps to ensure that our grid is capable of distributing energy to meet increasing demand as efficiently and cost-effectively as possible. It also addresses the concurrent need to modernize our grid, in order to take advantage of new and emerging technologies that can reduce costs to ratepayers by balancing supply and demand. Many of these technologies, including distributed rooftop solar, battery storage, bidirectional electric vehicle charging, and Virtual Power Plant agreements, are already being added to homes and businesses. These technologies can put more energy back on the grid that doesn't rely on utility-scale generation sources. There are also recent technologies that utilities can add to their distribution grid, including non-wires solutions. One type of non-wires solution is software programs that manage load, which can increase the grid's stability and reliability at a lower cost than building new poles and wires. Most, if not all, of these modern technologies that reduce demand from utility-scale generation can be added to the grid more quickly than additional utility-scale generation. HB 1079 presents a valuable opportunity for Maryland to explore new transmission and distribution technologies at a critical time for us to address increasing resource adequacy concerns.

Long-term energy planning will position Maryland to take advantage of existing and upcoming technologies. We must prepare to meet growing energy demands, as well as our climate commitments - we need energy that is both clean and readily available. HB 1079 is one step, in a series of actions toward a secure and clean energy future for Maryland. The Nature Conservancy commends Delegates Fraser-Hidalgo and Wilson for introducing this legislation.

Therefore, we urge a favorable report on HB 1079.