

Oppose
Economic Matters
2/21/2025

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

Baltimore Gas and Electric Company (BGE) opposes *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 (PSC) from approving the construction or expansion of transmission lines in the state from July 1, 2025 through May 1, 2026.

BGE has significant concerns with prohibiting the approval of required transmission projects that are needed to keep the lights on in central Maryland. Specifically, BGE has been directed by PJM, the Regional Transmission Operator (RTO) in which Maryland is a member, to construct a new overhead transmission line on existing BGE ROW from Pennsylvania into Anne Arundel County, Maryland to help mitigate severe, widespread reliability violations caused by the retirement of the coal-burning power plant, Brandon Shores. Maryland must import electricity from Pennsylvania via a new transmission line; otherwise without Brandon Shores Power Plant in service, PJM system studies indicate that the State and the region could face uncontrolled cascading outages. Without timely execution of the required transmission upgrades, the Brandon Shores Power Plant will need to remain in service longer than necessary, resulting in further increases to BGE and Maryland electric customer bills in order to keep the plant operating past its expected retirement date. House Bill 1218 will directly prevent the timely approval of BGE's CPCN filing for the Brandon Shores Mitigation Project and may delay other BGE projects as well that are needed to maintain the safety and reliability of the transmission grid.

It is important to note that until BGE completes this project, ratepayers are forced to pay a premium rate to Talen Energy, the owner and operator of the Brandon Shores and Wagner power plant, to remain operational to avoid brown-outs. This is known as the Reliability-Must-Run (RMR) agreement. So, the longer it takes BGE to construct this new line, the longer ratepayers will bear this burden.

BGE urges an unfavorable report on House Bill 1218 due to the disadvantages it brings to the State's reliability and the undue burden placed on ratepayers.

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.

Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281