

Oppose
Economic Matters
2/20/2025

House Bill 829 – Public Utilities - Transmission Lines - Advanced Transmission Technologies

Baltimore Gas and Electric Company (BGE) opposes *House Bill 829 - Public Utilities - Transmission Lines - Advanced Transmission Technologies*, which requires an applicant for a certificate of public convenience and necessity (CPCN) for the construction of an overhead transmission line to include in its application, an analysis of alternatives to the proposed transmission line, including the use of advanced transmission technologies, alternative routes, technology modifications to the electric distribution systems in the State, and a review of an integrated electric transmission-distribution system to address the need for the proposed transmission line.

BGE remains steadfast in its commitment to supporting the use of grid-enhancing technologies to advance Maryland’s energy transition and endorsing policies that prioritize affordability, resiliency, and reliability. However, BGE opposes House Bill 829, because it is overly prescriptive, will create significant additional regulatory delays in the CPCN process, and increase the costs borne by utility ratepayers.

The Maryland Public Service Commission’s (“Commission”) CPCN process involves robust, quasi-judicial administrative proceedings, as well as extensive public notification requirements, public hearings, and opportunities for comment from the public, State Agencies, and local jurisdictions. For example, the Power Plant Research Program (“PPRP”) in the Department of Natural Resources coordinates a comprehensive environmental and socioeconomic review of a proposed project and presents recommendations on behalf of seven different State agencies. The Staff of the Commission and the Office of People’s Counsel also regularly participate as parties in CPCN proceedings.

House Bill 829 expands the required analysis for CPCN applications by potentially prioritizing less economical and reliable transmission options. Further, the CPCN process is already comprehensive and lengthy, typically 12-18 months, and would become even more burdensome, increasing costs for applicants, the Commission, and State agencies like the PPRP. Additionally, the bill will cause further delays in the permitting and siting of overhead transmission lines. Extending CPCN permitting times could make it infeasible to meet required in-service dates for PJM-mandated projects, risking putting the transmission system into an unreliable state and being in non-compliance with federal (i.e., North American Electric Reliability Corporation) reliability standards.

Under current law, applicants for a CPCN must already consider alternatives to newly proposed transmission lines, including the use of existing rights-of-way and alternative routes. This required alternative analysis includes a thorough evaluation and consideration of various potential routes for the proposed power line. Factors such as environmental impact, land use, community

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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Position Statement

impact, and costs are considered to demonstrate that the proposed route is the most feasible and minimizes negative effects compared to other options.

A significant component of the analysis involves environmental and socioeconomic considerations, such as land use impacts. The impact of each alternative route on natural habitats, sensitive ecosystems, and visual aesthetics are examples of the environmental matters reviewed. Additionally, community impact is evaluated during the alternative analysis study. Factors such as property values, land use, and community concerns are strongly considered when identifying the most viable route for the transmission line. The CPCN process also currently requires that applicants identify whether the overhead transmission line is proposed to be constructed on property that is subject to an existing easement.

Many of the alternative evaluation criteria proposed in House Bill 829 are already part of existing federal approval processes and FERC Order 1920, which considers the use of viable grid enhancing technologies. Incorporating targeted State policies into these planning processes is a more appropriate venue than the CPCN process, which could delay projects thereby negatively impacting Maryland's transmission grid.

BGE remains committed to supporting Maryland's energy transition and supports policies that keep affordably, resiliency, and reliability a priority. For these reasons, BGE opposes House Bill 829 and requests an unfavorable report.

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