

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee

FROM: MEA

SUBJECT: HB 1079 - Public Service Commission - Study on the Electric Transmission and

Distribution System

DATE: March 11, 2025

MEA Position: FAVORABLE WITH AMENDMENT

This bill requires the Public Service Commission to conduct a study by January 1, 2026 that would "provide a comprehensive assessment of the potential application of grid—enhancing technologies (GETs) and advanced conductors in a manner that ensures system reliability and safeguards the cybersecurity and physical security of the electric transmission system and electric distribution system."

GETs are a collection of advanced sensors, controls, and analytical tools designed to optimize grid performance. Advanced conductors use alternative materials in comparison to traditional power wires to carry more power and reduce energy loss. GETs and advanced conductors have the ability to lower or avoid costs of future transmission projects while increasing grid reliability during times of constraint. MEA supports the intent of this bill and suggests two amendments.

- 1) MEA suggests amending p. 1, lines 18-19 to read: "identify alternatives to building opportunities to enhance the capacity of existing transmission lines, including grid—enhancing technologies[.]" While grid-enhancing technologies offer near-term tools to defer or reduce investment in new transmission projects and maximize the capacity of current infrastructure in existing rights-of-way, enhanced transmission planning and expansion is still needed to address capacity constraints long-term.
- 2) To better reflect the appropriate role of a *market-neutral* state regulator, MEA would suggest amending p. 2, lines 8-9 to read: "identify investments necessary to **possible investments that can** modernize the electric transmission system and electric distribution system[.]"

MEA notes that regulations and subsequent utility distribution system plans being issued in and after December 2025 pursuant to Md Code, Public Utilities Article §7-804 may provide additional data on distribution system modernization.

MEA urges the committee to issue a favorable report as amended.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (<u>landon.fahrig@maryland.gov</u>, 410.931.1537).