



# Maryland

## Energy Administration

**TO:** Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee  
**FROM:** MEA  
**SUBJECT:** HB 1225 -Public Utilities – Electric Distribution System Plans – Establishment (Affordable Grid Act)  
**DATE:** February 21, 2025

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### **MEA Position: LETTER OF INFORMATION**

This bill requires the Public Service Commission (Commission) to alter the electric distribution system planning (DSP) process established in Md. Code, Pub. Util. Art. §7-804. The bill also requires extensive alterations in the regulations mandated by existing law, which are due in December 2025. These regulations are currently under review in the DSP Workgroup (PC44/Case No. 9665), within an internal due date of May 2025. The draft regulations are the product of numerous meetings and Commission orders to address consensus and non-consensus positions among stakeholders. The Commission filed a status report on the utilities' distribution system plans in December 2024.<sup>1</sup>

This bill differs from current Commission orders in several ways. For example, the bill requires utilities to submit distribution plans every three years for Commission approval, along with annual progress reports. The Commission, on the other hand, ordered annual technical conferences, not a litigated approval process. *See* Order No. 91256 on Recommendations of Distribution System Planning Work Group. Case No. 9665 and PC44, July 30, 2024. The bill also requires that gas utilities integrate their plans with the plans of electric distribution utilities, which is something that the Commission recently stated it would not require at this time but would address later. *See* Order No. 91490, PC 44, Case No. 9665, January 21, 2025. Broadly speaking, MEA supports both of these bill proposals.

There are, however, numerous other areas of overlap, omission, or discrepancy between the draft DSP regulations, Commission orders, stakeholder opinions, and the details in this bill. Just a few examples include: definitions of several key terms; time horizon beyond 10 years; forecast scenarios; granularity at the feeder level; and mention of resource retirement, modernizing forecasts, publishing hosting capacity maps, or the process for developing a locational value analysis. It is not clear that these nuances and discrepancies are best resolved in a legislative, rather than administrative, setting.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Joyce Lombardi, [joyce.lombardi1@maryland.gov](mailto:joyce.lombardi1@maryland.gov), 443-401-1081.

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<sup>1</sup> <https://www.psc.state.md.us/wp-content/uploads/Electric-System-Planning-Report.pdf>