

February 20, 2025

112 West Street
Annapolis, MD 21401

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

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully submit this letter of opposition on **House Bill 829 - Public Utilities - Transmission Lines - Advanced Transmission Technologies**. House Bill 829 alters the definition of qualified generator lead line for purposes of provisions of law regarding certificates of public convenience and necessity (CPCN), requires an applicant for a CPCN for the construction of an overhead transmission line to include certain analyses and requires the Public Service Commission (PSC) to consider certain alternatives before taking final action on a certain application for a CPCN.

Pepco and Delmarva Power are committed to supporting the use of grid-enhancing technologies to advance Maryland's energy transition and endorsing policies that prioritize affordability, resiliency, and reliability. However, Pepco and Delmarva Power oppose House Bill 829 as it will create additional regulatory delays in the CPCN process and increase the costs borne by utility ratepayers. While well-intentioned, this legislation attempts to add an unnecessary layer onto an already robust and comprehensive CPCN process that considers the community, physical, environmental, aesthetic and noise impacts for the siting of transmission lines and generating stations.

Pepco and Delmarva Power are concerned that House Bill 829 may add significant time and costs to any future Maryland CPCN application required for any overhead transmission line that does not meet the Commission's waiver requirements. Section 7(iv)1 proposes a new CPCN requirement for an "analysis of alternatives to the proposed transmission line." As part of the CPCN process, the PSC can request certain information, however, the information in the bill is concerning as it includes things that are necessarily related to the transmission line. Also, this requirement for "a review of an integrated electric transmission-distribution system to address the need of the transmission line" is very broad and potentially unduly burdensome to produce. These requirements, while well-intentioned, could prolong decision-making process, delaying the timely development of necessary transmission infrastructure, particularly at a time where the state is looking to increase in-state generation quickly in Maryland.

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. Additionally, the legislation discusses transmission planning and cost recovery, which are areas that are not within the jurisdiction of the PSC. The Federal Energy Regulatory Commission (FERC) regulates transmission planning and cost recovery. The legislation contains various provisions that a court may find are preempted by federal law, particularly the provisions that delve into transmission planning and cost recovery.

Pepco and Delmarva Power respectfully oppose House Bill 829 and are committed to collaborating with the bill sponsor and stakeholders.

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.