

Favorable with Amendments
Economic Matters Committee
2/20/2025

House Bill 1329 – Public Utilities – Energy Generation and Transmission

Baltimore Gas and Electric Company (BGE) supports with amendments *House Bill 1329 – Public Utilities – Energy Generation and Transmission*. House Bill 1329 allows an investor-owned electric company to construct, acquire, or lease, and operate, its own generating facilities or construct, acquire, or lease, and operate, transmission facilities. The bill states the General Assembly's support for developing additional nuclear energy in the State and encourages PJM, the Regional Transmission Organization (RTO) of which Maryland is a member, to expedite the interconnection process for new thermal generation and transmission in the State.

Resource adequacy is a pressing issue nation-wide and is of particular concern in Maryland. The retirement of electricity generation facilities in Maryland is causing significant resource adequacy issues, which has increased pricing in the capacity market and has prompted multiple large-scale transmission projects to be constructed to import more energy into the State. Given the limited local generation in Maryland and pending retirements of the dispatchable generation in the state, Maryland is dependent on generation imports to achieve its electric supply. Maryland currently imports 40% of its electricity from out-of-state electricity generators to meet the energy demands of residents and businesses. Ensuring that we have a reliable, resilient, and affordable electric grid is paramount for the well-being of our communities and the continued economic growth of our state.

House Bill 1329 aims to address Maryland's energy resource constraint by supporting the construction and operation of new generating facilities, which BGE strongly supports. It also states that the Public Service Commission may require an investor-owned electric company to construct, acquire, or lease, and operate generation facilities, transmission facilities, or a combination of both facilities. BGE respectfully requests an amendment for an investor-owned electric company to obtain a credit rating assessment by a premier credit rating agency to ensure the terms of the order are unlikely to be credit negative. This is essential to protect ratepayers from paying higher rates in the event BGE's credit rating would be adversely impacted because of a generating facility construction investment. Additionally, appropriate language to ensure the recovery of prudently incurred generation investments and costs is requested, given BGE is a regulated utility.

BGE requests your support for inclusion of the proposed amendments and a favorable report for House Bill 1329 to help increase Maryland's energy independence. Recognizing the importance

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

of addressing the lack of electricity generation facilities will safeguard the reliability of our electric grid and ensure that Maryland remains well-prepared to meet future energy demands.

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