March 6, 2025

To: Senate Education, Energy, and the Environment

From: Easton Utilities Commission

**Bill:** SB 643 - Public Utilities – Energy Generation

**Position**: Support

On behalf of Easton Utilities Commission (EUC), a small, municipally-owned utility and telecommunications company operating the electric, natural gas, water, wastewater, cable TV, and internet services for the Town of Easton and portions of the surrounding area, I am writing to express our support for **SB 643**.

This bill would make explicit the ability to construct, permit, and operate an energy generating system fueled by natural gas in Maryland. Additionally, it authorizes investor-owned electric companies and electricity suppliers in the State to construct, acquire, or lease and operate their own generating facilities and related transmission facilities.

Easton Utilities supports a diverse mixture of fuels/sources to address Maryland's current and future base-load energy demands, while being mindful of long-term reliability, resiliency, and sustainability. To ensure high reliability, we utilize a diverse portfolio of energy sources, including solar, ultra-low-sulfur diesel, and clean, affordable natural gas. This enhances energy security and helps insulate our customers from energy disruptions.

Uniquely, we are a vertically-integrated electric company, capable of generating enough electricity to serve our customers and act as a micro-grid, were ever the need to arise. This means we can keep our customers' lights on and serve as a staging area for first responders and disaster relief/recovery for the entire Delmarva Peninsula in a time of widespread grid disruption.

However, though modernized and upgraded over the years, our fleet of generators are aging (our oldest were put into service in the 1950's) and increased demand for electricity meant that during the recent cold snap in January, consumption briefly exceeded the amount of electricity we are capable of producing.

Investing in new natural gas generation would allow Easton Utilities to maintain its ability to serve as a micro-grid, enhancing the Eastern Shore's and the State's resiliency, while at the same time helping to increase in-State generation and alleviate some of the very real concerns about resource capacity currently facing the State in the near and long term.

For these reasons, Easton Utilities supports SB643 and respectfully urges a Favorable Report.

Please contact Kurt Fuchs with any questions at kfuchs@eucmail.com or 443-786-0855.