

TO: Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the

Environment Committee

FROM: MEA

SUBJECT: HB 829 - Public Utilities - Transmission Lines - Advanced Transmission Technologies

DATE: March 26, 2025

MEA Position: FAVORABLE WITH AMENDMENTS

While MEA supports the intent of this bill, we recommend targeted amendments to enhance, clarify, and ensure effective implementation.

House Bill 829 seeks to modernize Maryland's approach to transmission line development by integrating Advanced Transmission Technologies (ATTs) into the regulatory process governing Certificates of Public Convenience and Necessity (CPCN).

The bill mandates CPCN applicants to include an analysis of alternative transmission routes. However, COMAR already requires a description of alternative routes:

"The description of each alternative route considered for the transmission line shall include:

- (1) An estimate of the capital and annual operating cost of each alternative route; and
- (2) A statement of the reason why each alternative route was rejected."¹

To avoid redundancy, MEA suggests striking "alternative routings" from the bill.

MEA also suggests delineating transmission upgrades from generation, because generation upgrades is not a term used in PJM's transmission planning or generator interconnection processes. Similarly, specifying that enhancements at the distribution level are intended for multiple service areas or electric companies may provide greater clarity.

MEA recommends replacing the cost recovery provision with the financial incentives language rather than adding it. FERC has jurisdiction over the transmission of electricity in interstate commerce, including rates, terms, and conditions, while state regulators handle distribution and retail rates. Supplanting rather than supplementing the mechanism used can avoid state-federal jurisdictional pitfalls. Financial incentives can send a positive signal for ATT deployment in Maryland. However, a minimum standard for their effectiveness may be needed to avoid subsidizing technologies that only marginally enhance grid performance. The PSC could be accorded discretion to establish criteria.

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¹ COMAR 20.79.04.03.

MEA urges the committee to issue a favorable report as amended , with the adoption of these amendments.
Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, at landon.fahrig@maryland.gov or 410.913.1537.