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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

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**Senator Justin Ready**  
**SB 332 - Task Force to Study the Premature Retirement of Electricity Generation Facilities**

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Chairman Feldman, Vice Chair Kagan, and member of the Education, Energy, and the Environment Committee,

HB 332 establishes the Task Force to Study the Premature Retirement of Electricity Generation Facilities. Staffed by the Public Service Commission (PSC), the Task Force would be required to report their findings and recommendations by January 1, 2026.

The Electric Customer Choice and Competition Act of 1999 facilitated the restructuring of the electric utility industry in Maryland, which deregulated the generation, supply, and pricing of electricity. As part of restructuring, the State's vertically integrated electric companies divested themselves of their generation assets. With restructuring, generation resources are considered competitive, and the competitive market is relied upon to provide new generation resources and to meet load requirements. Deactivation decisions are made by facility owners as business decisions. PSC does not have regulatory authority over plant closures. In order to meet long-term, anticipated demand in the State for standard offer service and other electricity supply, PSC may require or allow an investor-owned electric company to construct, acquire, or lease, and operate, its own generating facilities, and transmission facilities necessary to interconnect the generating facilities with the electric grid, subject to appropriate cost recovery. PSC is also the lead agency for licensing the siting, construction, and operation of power plants and related facilities in the State under the certificate of public convenience and necessity process. Each year, the PSC chair must forward to the Secretary of Natural Resources a 10-year plan listing possible and proposed sites, including the associated transmission routes, for the construction of electric plants within the State, subject to specified requirements.

The task force must:

- Assess the cost savings for customers that result from the retirement of electricity generation facilities.

- Evaluate the impact that the premature retirement of electricity generation facilities has on the reliable energy supply for customers.
  - Evaluate the environmental impact of the premature retirement of electricity generation facilities, including consideration of habitat disruption, wildlife impact, watershed stress, and ecological harm.
  - Examine potential nationwide consequences of shortages in reliable or dispatchable electricity if a Maryland electricity generating facility retires prematurely.
  - Examine the economic challenges faced by electricity generating companies, which have led to premature retirement of electricity generating facilities and evaluate potential mitigations to sustain their operations.
- Facilitate collaboration among stakeholders, including utilities, environmental advocacy groups, energy consumers, and industry representatives.
- Conduct an infrastructure transition analysis that ensures that infrastructure developments align with the practical needs of electricity generating companies.

The task force must make recommendations to address challenges and enhance decision making regarding the premature retirement of electricity generation facilities, that include energy reliability solutions that address the imminent energy reliability gap and balance the need between economic considerations and the State's commitment to cleaner energy goals.