

Testimony of the PJM Power Providers Group (P3)¹

Senate Bill 951

Maryland Senate Finance Committee

March 6, 2025

P3 opposes Senate Bill 951 and urges the Committee to reject it. If approved, Senate Bill 951 would overturn nearly three decades of Maryland policy that has relied on competitive market forces to drive investment in power generation. This represents a significant policy shift that must be carefully evaluated. P3 is confident that, upon thorough examination, the shortcomings of this bill will become evident.

P3 members own and operate generation facilities in Maryland. Our members have built, and retired plants based on market signals, always competing on a level playing field with other companies striving to provide electricity more affordably than their competitors. Allowing utilities to build and rate-base new power plants would fundamentally alter the energy landscape in Maryland. Instead of fostering competition, this shift would drive competitive companies to seek investment opportunities in other markets. Meanwhile, utility companies would focus on persuading regulators that consumers should finance new generation facilities and bear all associated risks. This is not a path Maryland should take.

Furthermore, it is important to note that nothing prevents Maryland utilities from forming non-regulated competitive affiliates to develop generation facilities on a level playing field with other competitive generators. In this scenario, rather than merely pushing a proposal for new generation through the Public Service Commission, the competitive affiliate would be responsible for determining whether it can effectively construct and operate a power plant. Consumers benefit when generators are driven by competition to be more efficient.

Senate Bill 951 is fundamentally flawed, and amendments should not be considered. The Committee should reject the bill.

¹ The views expressed in this testimony represent the views of P3 as an organization and do not necessarily reflect the views of individual P3 member companies with respect to any issue. For more information on P3, visit www.p3powergroup.com. P3 members own more than 82,000 megawatts of generation assets in PJM. P3 member companies are active suppliers in the state of Maryland, either as wholesale generation suppliers and/or competitive retail electric services suppliers