



March 6, 2025

112 West Street Annapolis, MD 21401

## **Oppose – Senate Bill 737- Property rights Protection Act of 2025**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) Oppose Senate Bill 737 – Property rights Protection Act of 2025. Bill 1396 proposes to restrict the use of eminent domain for the construction of power lines and generating stations, particularly those involving renewable energy sources such as wind and solar.

The ability to expand and upgrade transmission and distribution infrastructure is paramount to ensuring a reliable and resilient power grid. Restrictions on acquiring necessary property for power lines could delay or prevent the completion of critical projects needed to maintain service reliability, particularly in areas experiencing rapid growth or increased electricity demand.

If utilities are unable to construct essential infrastructure due to these restrictions, alternative, costlier solutions may be required to maintain service, leading to increased costs for ratepayers. Delays in critical projects could also result in grid congestion, limiting Maryland customers' access to affordable electricity.

The construction of new energy infrastructure not only improves service reliability but also would solve the State's resource adequacy challenges. Maryland is already facing resource adequacy challenges as the state transitions to a cleaner energy future. The limitations imposed by SB 737 would further strain the ability to develop and integrate sufficient energy resources to meet growing demand. By restricting the development of necessary transmission and generation infrastructure, the bill could contribute to potential energy shortfalls, increasing the risk of reliability issues, price volatility, and greater dependence on energy imports from neighboring states.

For these reasons, Pepco and Delmarva Power respectfully urge an unfavorable report on Senate Bill 737.

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