

**KATIE FRY HESTER**  
*Legislative District 9*  
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Education, Energy, and  
Environment Committee

Chair, Joint Committee on  
Cybersecurity, Information Technology  
and Biotechnology



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**THE SENATE OF MARYLAND**  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of SB37 - Utility Transparency and Accountability Act**

February 13, 2025

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and Environment Committee:

Thank you for your consideration of Senate Bill 37, which will require public utility companies in Maryland to disclose their PJM votes, increasing transparency into the critical decisions they are a part of making. For the record, this committee heard this bill last year (SB 682) and unanimously voted in favor of it. This year, the bill does not include a controversial provision regarding utilities recovering costs of lobbying through rates.

Maryland is one of 13 states and the District of Columbia that are members of the Regional Transmission Organization (RTO) known as PJM. PJM is the largest RTO in the US, serving over 63 million people and comprising many utility companies and electricity generation facilities. It serves important functions, such as ensuring grid reliability.

PJM is unknown to many. However, decisions made at PJM significantly affect our consumer utility rates and Maryland's energy mix. For example, PJM's decisions regarding the capacity market have kept fossil fuel generators running longer which has slowed down the transition to renewables and unnecessarily increased costs for rate-payers. Further, PJM's rules on interconnections have delayed the hook-up and development of new clean energy generating facilities. **Essentially, PJM's decision-making has the ability to override our state's policies and can significantly hamper Maryland's clean energy goals because of its unilateral control of grid infrastructure.**

The purpose of this bill is to increase transparency and accountability of stakeholders at PJM. This bill will require any electric utility that is a member of PJM to disclose to the Maryland Public Service Commission any recorded vote they make within that organization, regardless if such disclosure is required by PJM itself. Specifically, this legislation will ensure that a utility's votes at PJM proceedings are transparent, which is in the public interest of Marylanders.

I am offering one amendment to this bill for committee consideration, which has been requested by the utilities. This amendment clarifies that the "affiliates" referenced in the bill are based in Maryland.

SB 37 is critical to increasing transparency in rooms where critical decisions about the future of energy in our state are made. **For these reasons, I respectfully request a favorable report on SB37.**

Sincerely,

A handwritten signature in black ink that reads "Katie Fry Hester". The signature is written in a cursive, flowing style.

Senator Katie Fry Hester  
Howard and Montgomery Counties

## **More information:**

### **What are PJM's committees and what information is currently available about PJM voting results?**

There are four ongoing lower-level standing committees: [Operating Committee](#), [Planning Committee](#), [Risk Management Committee](#), and [Market Implementation Committee](#). It is difficult to fully account for all of PJM's lower-level committees, however, since some are subcommittees or exist temporarily for specific processes. None of the individual voting data at the lower committee levels is public; the only information publicly available is the overall percentages of votes each proposal received.

The lower-level committees are responsible for designing the proposals that advance to the upper-level committees. Recent issues have included:

- Developing a [process to transfer the ability to interconnect](#) at a certain point in the grid from retiring plants to new resources (considered by the [Planning Committee](#))
- Modifying [rules for retiring plants](#) (considered by the [Deactivation Enhancements Senior Task Force](#)).

There are two **upper-level** committees that vote on the proposals presented by the lower committees: the [Markets and Reliability Committee](#) and [Members Committee](#). These upper-level committees are slightly more transparent. The Markets and Reliability Committee reports votes by sector, but not the votes of individual firms. Only the Members Committee reports individual firm votes in addition to sector-weighted votes.