

Oppose
Education, Energy, and Education Committee
3/6/2025

Senate Bill 640 – Public Utilities – Solar Energy Generating Stations – Eminent Domain

Baltimore Gas and Electric Company (BGE) opposes *Senate Bill 640 - Public Utilities – Solar Energy Generating Stations – Eminent Domain*. Senate Bill 640 would prohibit a person constructing a solar energy generating station from exercising a right of condemnation in connection with that construction.

BGE believes eminent domain should always be considered as a last resort. However, there may be instances where the public benefit is so significant that eminent domain may be warranted. The Certificate of Public Convenience and Necessity (CPCN) is a prerequisite before eminent domain can be declared. This process offers appropriate stakeholder engagement amongst state agencies, the developer, and the public to ensure a due process considering all perspectives and facts takes place. Ultimately, the Public Service Commission (PSC) will approve or deny the CPCN which will determine if the construction of a new generating station presents enough public benefit to warrant eminent domain.

Senate Bill 640 adds an exemption to this process to disallow a person from exercising a right of condemnation specifically in connection with the construction of a solar energy generating station. BGE does not recommend passing such definitive legislation that would have the potential to hinder new electricity generation at a time when Maryland faces resource adequacy challenges. The retirement of electricity generation facilities in Maryland is causing significant resource adequacy issues, which has increased pricing in the capacity market and has prompted multiple large-scale transmission projects to be constructed to import more energy into the State. For this reason, BGE supports all sources of new electricity generation.

BGE respectfully requests an unfavorable report on Senate Bill 640 to avoid unintended consequences with clean energy deployment and with supporting Maryland in becoming more energy independent.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

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