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112 West Street
Annapolis, MD 21401

**Letter of Information – Senate Bill 716 – Public Utilities – Nuclear Energy – Renewable Energy
Portfolio Standard and Procurement (Decarbonization Infrastructure Solutions Act of 2025)**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) submit this letter of information on **Senate Bill 716 – Public Utilities – Nuclear Energy – Renewable Energy Portfolio Standard and Procurement (Decarbonization Infrastructure Solutions Act of 2025)**. Senate Bill 716 alters the renewable energy portfolio to include nuclear energy. It establishes a certified nuclear renewable energy credit for use in meeting renewable energy portfolio standard requirements. It also establishes a procurement process for the Public Service Commission to evaluate and approve an application for nuclear energy generation projects, including developing a pricing schedule for nuclear energy.

Resource adequacy is a growing concern nationwide and is of particular concern in Maryland. With limited local generation and pending retirements of dispatchable generation in the state, Maryland relies heavily on energy imports to meet demand. To maintain reliability, more resources are needed as soon as possible—power plants (renewable and natural gas), energy storage, and demand-side capabilities.

This legislation has the ability to support new nuclear generation in the state by providing long-term financing for the energy produced. However, we recommend revising the pricing structure for nuclear projects as envisioned in this legislation. This bill requires utilities to enter into long-term pricing arrangements to stabilize revenue streams for nuclear power plants amidst fluctuating electricity prices. However, it makes changes to the RPS that would apply retroactively without consideration of existing contracts, which could have an adverse impact on ratepayers. To address these concerns, Pepco and Delmarva Power recommend removing the retroactive provision to protect existing standard offer service contracts for future delivery. A provision that existing obligations or contract rights may not be impaired in any way should be included.

Pepco and Delmarva Power appreciate your consideration of these amendments to improve this well-intentioned bill to identify solutions to address the state's resource adequacy challenges.

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.

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