

SB643 (HB1329) **Pavlak FWA**
Energy generation

- ADD THE FOLLOWING AMMENDMENT:

7-218.SECTION 2.(3)

PSC shall evaluate market distortions created by the Regional Greenhouse Gas Initiative (RGGI) and propose solutions.

- RGGI is the root cause of Maryland's reliability and stability challenges.
 - RGGI is effectively a carbon tax. In-State fossil fuel companies are required to purchase carbon allowances
- RGGI allowance prices have relentlessly increased over the past 20 years.
 - In FY 2024 RGGI allowances delivered \$218 million to Maryland SEIF
- The industry is not big, gross revenue roughly \$600 - \$1,000/y
- New England RGGI appears to be is a sound policy
 - All States in the market are RGGI States
 - Facilitates an orderly transition from coal to natural gas to clean.
- Maryland RGGI is a bad policy
 - Neighboring states are not RGGI States
 - Maryland fossil fuel cannot compete with cheap imports
 - Shuts down Maryland baseload without functional replacement
- Options
 - Tariffs on imported electricity
 - Limited RGGI exemptions

