

Timothy R. Troxell, CEcD Senior Advisor, Government Affairs 301-830-0121 ttroxell @firstenergycorp.com 10802 Bower Avenue Williamsport, MD 21795

Favorable – House Bill 1419 HB 1410 – Electric Distribution System Support Services - Cost Recovery and Energy Storage Education, Energy, and the Environment Committee Thursday, April 3, 2025

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 285,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its ten electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, New York, West Virginia, and Maryland.

Favorable

Potomac Edison / FirstEnergy supports as amended House Bill 1419 - *Electric Distribution System Support Services* - *Cost Recovery and Energy Storage*. This bill clarifies the role of energy storage solutions in Maryland's electric grid. It's integration into the infrastructure can help enhance grid reliability, accommodate renewable energy growth, and improve energy efficiency. HB-1419 also encourages utilities to invest in innovative technologies while maintaining financial transparency and oversight.

HB-1419 as amended will now allow Potomac Edison to run Distribution System Support Services (DSSS) pilots and programs without requiring a full deployment of Advanced Metering Infrastructure (AMI or Smart Meters) across its entire service territory. This flexibility enables targeted testing of DSSS initiatives while avoiding the significant costs associated with broad AMI deployment to all of our 285,000 customers.

Requiring the Public Service Commission (PSC) to approve the use of non-standard metrology installed in customer-owned equipment (such as home EV charging systems, power walls, power inverters, etc.) for pilot programs and other DSSS initiatives makes sense. Currently, Potomac Edison utilizes such an approach in its EV-Only Time-of-Use Rate under the EV Pilot Program. This change helps streamline approvals and avoids future regulatory delays, while also keeping costs lower for our customers.

House Bill 1419 is a positive step toward modernizing Maryland's electric grid, and as amended improves its effectiveness, by allowing cost-efficient pilots and programs to proceed with minimal regulatory hurdles. This bill helps ensure that investments in energy storage and DSSS programs remain flexible, cost-effective, and beneficial to all Maryland ratepayers.

Potomac Edison / FirstEnergy respectfully request a Favorable vote on HB-1419.