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112 West Street  
Annapolis, MD 21401

### **Support with Amendments – Senate Bill 332 – Task Force to Study the Premature Retirement of Electricity Generation Facilities**

Exelon and its utility delivery companies—Baltimore Gas and Electric (BGE), Potomac Electric Power Company (Pepco), and Delmarva Power & Light Company (Delmarva Power)—support with amendments **Senate Bill 332 – Task Force to Study the Premature Retirement of Electricity Generation Facilities**. This legislation establishes a task force to examine the potential risks posed by the premature retirement of electricity generation facilities, including its impacts on electric grid reliability, energy supply, economic conditions for electricity generators, and cost implications for residents and businesses.

The retirement of electricity generation facilities presents significant resource adequacy concerns that could compromise Maryland's ability to meet its growing energy demand, particularly during peak periods. Resource adequacy is a critical issue nationwide, and Maryland faces unique challenges due to its limited in-state generation and increasing dependence on imported electricity. Currently, Maryland imports approximately 40% of its electricity from out-of-state generators. With planned retirements of dispatchable generation, the state's reliance on imported energy is expected to grow, making the need for a stable and resilient grid even more urgent. Ensuring resource adequacy is fundamental to maintaining a reliable and resilient electric grid, protecting public safety, and supporting continued economic growth.

To ensure that Maryland remains well-positioned to meet its future energy needs, a comprehensive approach is required. Addressing resource adequacy requires a coordinated strategy between Maryland policymakers, regulatory agencies, utilities, PJM Interconnection (the regional transmission organization), and other key stakeholders to ensure a balanced and reliable energy mix. Leveraging the expertise of Maryland's electric utilities, PJM, and other industry experts will be vital in crafting effective, forward-looking resource adequacy strategies.

Senate Bill 332 proposes a task force comprising representatives from the General Assembly, the Maryland Department of the Environment, the Public Service Commission, PJM Interconnection, Reliability First Corporation, and industry experts from both traditional power generation and renewable energy sectors. Pepco and Delmarva Power respectfully request an amendment to expand the composition of the task force to include three representatives from Maryland electric utilities, with at least one representative from an investor-owned utility.

Utility representation will ensure that the task force benefits from the firsthand expertise and operational knowledge necessary to develop effective solutions for Maryland's energy future. Addressing Maryland's resource adequacy challenges requires immediate and strategic action. By supporting Senate Bill 332 with the proposed amendment, the state can proactively assess and implement solutions to mitigate the risks of premature generation retirements, safeguard grid reliability, and maintain a resilient energy system that serves all Maryland residents and businesses.

Pepco and Delmarva Power urge a favorable report on Senate Bill 332 with the requested amendment. Thank you for your consideration.

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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