



# Montgomery County

## Office of Intergovernmental Relations

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**SB 908**

**DATE: March 6, 2025**

**SPONSOR: Senator Hester**

**ASSIGNED TO: Education, Energy, and the Environment Committee**

**CONTACT PERSON: Garrett Fitzgerald (garrett.fitzgerald@montgomerycountymd.gov)**

**POSITION: Favorable (Department of Environmental Protection)**

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### **Public Utilities - Electric Distribution System Plans - Establishment (Affordable Grid Act)**

This legislation would require the Public Service Commission (PSC) to adopt regulations or issue orders by December 31, 2025, requiring electric companies to develop electric system distribution plans and establishing a system for monitoring progress and updating those plans.

As electricity prices continue to rise, it is critically important that electric distribution system planning evolve to ensure that future investments are made as cost-effectively as possible with a comprehensive view of achieving and balancing State goals and priorities.

This bill would significantly improve electric distribution system planning in Maryland. It would require utilities to develop scenarios and plans associated with achievement of the State's clean energy and climate goals as well as potential increases in overall electricity demand. Utilities would be required to identify system constraints, geographical areas where the expansion of distributed energy resources might be most valuable, and potential solutions including innovative technologies that may have the potential to more cost effectively improve energy reliability and efficiency. These plans would consider the application and impacts of solar adoption, building electrification, electric vehicles, energy storage capacity, virtual power plants, and other strategies. The bill would also require increased coordination between electric and gas utilities which will be important as progress continues to convert Maryland's building stock from fossil fuel combustion to high efficiency electric technologies for space and water heating.

This bill supports a well-considered approach to deployment of technology and innovation to help achieve State goals and protect ratepayers through important infrastructure planning processes. While this may require some adjustment from current utility approaches to distribution system planning, Maryland will benefit from a more cost-efficient, clean, and reliable energy system.

Montgomery County respectfully requests that the Education, Energy, and the Environment Committee issue a favorable report on Senate Bill 908.