2025 SB0332 Testimony For 2025-02-13.pdf
Uploaded by: Alan Lang
Position: FAV

SB0332 – Favorable

Honorable Senators

I support

- Establishing the Task Force to Study the Premature Retirement of Electricity Generation Facilities;
- requiring the Task Force to make recommendations that
    - address challenges and enhance decision making regarding the premature retirement of electricity generation facilities, and
    - include energy reliability solutions that address the imminent reliability gap and balance the need between economic considerations and cleaner energy goals; and
- requiring the Task Force to report on or before January 1, 2026.

We face an energy crisis in Maryland and we need to quickly find a way to generate our own electricity instead of importing it from other states, thus increasing our delivery charges.

If we do not have a reliable energy source, we add another reason for business and industry to avoid coming to Maryland.

Please enter a favorable report for SB0332.

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Legislative District 30B
February 13, 2025

SB332.Pavlak.FAV - Task Force, fossil fuel plant r

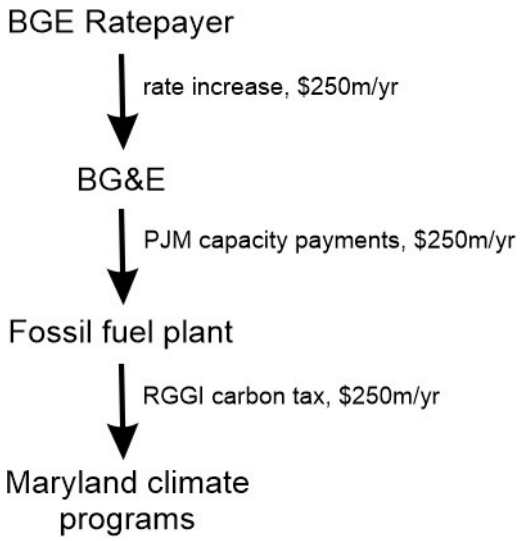
Uploaded by: Alex Pavlak

Position: FAV

February 13, 2025

SB332.Pavlak.FAV - Task Force, fossil fuel plant retirement

- Maryland fossil fuel plants are retiring early because Maryland's large and ever-increasing carbon taxes (RGGI CO_2 allowances) make them noncompetitive in the PJM market because out-of-state fossil fuel competitors do not pay carbon taxes.
    - Maryland carbon taxes (RGGI SEIF Revenue, FY 2024) …….$218 million
    - Maryland fossil fuel industry electricity sales, CY 2024…….$585 million
- Maryland's circumstances are unique. The only other PJM/RGGI states are Delaware and New Jersey which are buffered from the PJM market by Maryland and New York (RGGI states).
- Evidence: follow the money



- STOP MAKING THE PROBLEM WORSE
    - The RGGI carbon tax rate continues to increase.
    - Current circumstances are unstable. PJM's ability to raise capacity payments is capped. The risk is rolling blackouts.
- Current circumstances are unfair. BGE, not all Maryland ratepayers are paying most of the bill.
- How to fix? Ratepayers in RGGI states with a homogeneous electric power market pay the same bill except that the fossil fuel transition from coal to natural gas generation is orderly.
    - Incent new natural gas with limited RGGI exemption.
    - Some sort of market solution?
- Baltimore Sun OpEd (following pages) provides more detail.

Dr. Alex Pavlak; Future of Energy Initiative; www.pavlak.net; www.FutureOfEnergyInitiative.org
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February 13, 2025

Avoiding rolling blackouts and high electricity rates

(published by Baltimore Sun, January 6, 2025)

Nationwide, climate policies are systematically shutting down fossil fuel-based baseload generators without providing functional replacements. Maryland has been the national leader in shutting down baseload fossil fuel plants making the loss of firm generation capacity particularly acute. The likely consequence is either rolling blackouts, or skyrocketing electricity costs. However, there are alternatives.

In 2024, Maryland's Regional Greenhouse Gas Initiative (RGGI) and the Renewable Portfolio Standard (RPS) alternative compliance payments, extracted $274 million (carbon taxes) from its few remaining in-state fossil fuel plants. RGGI revenues are up 67% year on year and are used to fund Maryland's climate mitigation programs.

Remarkably, Maryland's entire fossil fuel industry generated 16.7 TWh (trillion watt-hours) of electric power during 2023. This suggests that industry's gross revenues, based on average wholesale prices, would be less than $600 million. This begs the question: How does a $600 million a year industry survive a $300 million a year financial burden when competitive generators across state lines do not have this burden? The answer is that they do not survive, it just takes time to die.

When a fossil fuel plant can no longer compete, the owner dials back on operating expenses to wring as much profit as they can out of a degrading capital equipment base before closing. Over the past decade this is what happened to Maryland coal plants. The last and biggest coal plant, Brandon Shores, filed to close in 2025. But PJM (the regional system operator) concluded they could not let the Brandon Shores plant close and maintain system reliability. So, PJM keeps a zombie plant operational through a costly Reliability Must Run (RMR) contract, billing BGE ratepayers $250 million a year for as long as necessary to replace firm capacity. According to the Office of Peoples Counsel (OPC), the RMR plus capacity charges will cost BGE ratepayers an additional $450/yr. But, for how many years?

The evidence of stress is clear. Maryland consumes 7.5% of the electricity produced by PJM. Yet 33% of the units on the PJM deactivation list reside in Maryland, and 4 of the 5 RMRs are Maryland plants. The 5th RMR resides in Delaware, another RGGI PJM State. Coal is gone, the next fossil fuel plants likely to fall are oil fired peakers, followed by combustion turbines, then combined cycle plants.

Maryland is confronted with unprecedented challenges and no good solutions. Options are:

Do nothing – Today, Maryland policy is to shut down all in-state fossil fuel generators. PJM is trying to keep them viable with RMRs to maintain system reliability. If Maryland wins the result is rolling blackouts, if PJM wins the result is sky high electricity rates.

Cancel or dial back RGGI and the RPS – Mayland's RGGI/RPS programs have done their job, coal is gone, natural gas is a cleaner interim fuel. Canceling RGGI/RPS would allow PJM markets to work. After Maryland builds nuclear power, then the natural gas plants can be shut down without harming system reliability.

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Pursue a 100% renewables option – Several competent studies are emerging. Our own engineering analysis shows that for a closed system, with no imports/exports, the cost to maintain reliability with intermittent generation escalates exponentially beyond 25-30% penetration (by energy). 100% renewables, is an impractical option.

Import more electric power – Building more transmission to import electricity from out of state generators is not climate friendly, leaves Maryland more vulnerable to the whims of others, and would be resisted by residents affected by the transmission. Transmission is a band aid, the core problem is the lack of in-state clean, firm, baseload generation. Electrical power independence is a better strategy.

Build more natural gas plants to stop the RMRs – This is a practical interim solution provided Maryland stops closing existing natural gas plants. It should be coupled with the closing of RGGI/RPS programs so that the PJM markets can work.

The nuclear option – Some combination of nuclear and hydroelectric power supports the world's eight big clean grids. There is ample evidence that nuclear fission can be safe, affordable, and GHG emission free. With a closed fuel cycle and fast spectrum reactors, nuclear can be sustainable. According to the Energy Department It will take six years to build a reactor, and there is a first mover risk.

Externally imposed solutions – Deep rolling blackouts in the Baltimore/D.C. region are likely to be regarded by the federal government as a national security emergency. The federal government could step in, suspend rules and impose solutions that Maryland does not like. For example, Maryland could lose the authority to choose electric power generation technology.

Maryland policy has created a slow-moving train wreck. The priority should be to stop making things worse. Our recommendation is that Maryland's 2025 legislative session either cancel or dial way back the RGGI/RPS programs, build some new natural gas plants and commit to building nuclear plants.

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Price Testimony in Support of SB0332.pdf
Uploaded by: Brysn Price
Position: FAV

Testimony in Support of SB0332
Presented by Bryan Price
Maryland State Senate Hearing on the Task Force to Study the Premature Retirement of Electricity Generation Facilities

Senator Ready and Esteemed Members of the Committee,

Thank you for the opportunity to testify regarding Senate Bill 332 (SB0332), a pivotal piece of legislation designed to ensure Maryland's energy future is both reliable and sustainable. My name is Bryan Price, and I am here as a concerned Maryland resident deeply invested in the integrity of our state's energy transition.

SB0332 acknowledges the complexity of transitioning away from traditional energy sources and the critical need for thoughtful, data-driven decisions. While the shift to renewable energy is essential for Maryland's environmental goals, it must be managed carefully to prevent unintended consequences, such as grid instability, rising energy costs, and economic disruptions for communities reliant on existing power infrastructure.

As a fisherman, I am increasingly concerned about a growing trend where out-of-state interests and interstate consortiums dictate environmental policy for Maryland, imposing unrealistic, economically devastating, and disingenuous requirements. These mandates often come from entities whose own states engage in equally destructive environmental practices. I have seen how such trends have impacted the watermen of the Eastern Shore, threatening their livelihoods and way of life. I fear that energy production has become the latest area where Maryland is penalized for its environmental consciousness.

As a self-proclaimed, die-hard, tree-hugging environmentalist, I wholeheartedly support the transition to greener energy systems. Until their contract with BGE was canceled, I willingly paid higher energy costs to support a provider that sourced a greater proportion of its energy from renewable resources. However, Maryland's rapid transition from fossil fuels prematurely generates a backlash effect—rising consumer costs, opportunistic companies like PSEG threatening homeowners and farmers with property seizures through eminent domain, the loss of energy sector jobs, and a growing perception that we lack energy independence. This backlash can erode public support for clean energy initiatives. When people feel economically threatened, they seek validation for their opposition, often disregarding scientific evidence, environmental stewardship, and long-term sustainability in favor of short-term security. These behaviors do not bode well for the future of the green movement.

Moreover, Maryland's perceived inability to generate sufficient power invites external entities to implement environmentally destructive projects within our borders. The

Maryland Piedmont Reliability Project is a prime example, with its adverse impacts on wetlands, agriculture, and critical habitats like those of the Bald Eagle, effectively negating any environmental gains made through premature plant closures.

Maryland already imports nearly 40% of its electricity, making the state vulnerable to external market fluctuations and supply disruptions. Abruptly retiring traditional power plants without robust planning could exacerbate this dependency, drive up energy costs, and undermine grid reliability. SB0332 provides a proactive, measured approach to these challenges by: Evaluating Cost Savings vs. Reliability Risks, Assessing Environmental and Ecological Impacts, Considering Economic Implications, Ensuring Grid Reliability, and Fostering Stakeholder Collaboration

SB0332 is not about resisting the shift to clean energy; it is about ensuring Maryland moves forward strategically, inclusively, and sustainably. It recognizes that the premature retirement of electricity generation facilities, if not carefully managed, could lead to energy shortages, economic hardships, and environmental setbacks. This legislation is a necessary safeguard to ensure that Maryland's clean energy future is built on a foundation of reliability, affordability, and environmental stewardship.

I urge the Committee to support SB0332, reinforcing Maryland’s commitment to responsible, forward-thinking energy policy. This bill ensures that our transition to clean energy does not come at the expense of grid reliability, economic stability, or community well-being.

Thank you for considering this critical legislation.

Sincerely,

Bryan S. Price, Jr.

FAV_SB0332_StopMPRPInc.pdf
Uploaded by: Joanne Frederick
Position: FAV

BILL NO.: Senate Bill 332 – Task Force to Study the Premature Retirement of Electricity Generation Facilities
COMMITTEE: Senate Education, Energy, and the Environment Committee
HEARING DATE: February 13, 2025
SPONSORS: Senators Ready, Folden, and West
POSITION: Strongly Favorable

On behalf of **Stop MPRP, Inc.**, I respectfully submit this testimony in **strong support** of Senate Bill 332, which establishes a **Task Force to Study the Premature Retirement of Electricity Generation Facilities**. This legislation is **critical** to ensuring Maryland has a stable, reliable, and self-sufficient energy future—one that does not depend on the proliferation of destructive high-voltage transmission infrastructure to import power from Pennsylvania and beyond.

Maryland's Energy Crisis and the Need for SB 332
Maryland currently imports approximately **40% of its electricity**, making it one of the most energy-deficient states in the nation. The **premature retirement of Maryland's existing in-state power generation facilities** will only worsen this crisis, forcing **greater reliance on high-voltage transmission lines** that devastate our farmlands, forests, and communities.

The **Maryland Piedmont Reliability Project (MPRP)** is a prime example of how Maryland's **energy planning failures** are leading to unnecessary and destructive infrastructure expansion. If completed, this project would:

- **Destroy 522 acres of farmland**—land that supports Maryland's rural economy and food security,
- **Clear 394 acres of forest**, causing long-term ecological damage,
- **Cross 101 streams and waterbodies**, threatening Maryland's natural resources,
- **Encroach on 245 acres of conservation land**, undermining efforts to preserve our environment, and
- **Seize 224 acres of farmland protected under the Maryland Agricultural Land Preservation Foundation (MALPF)**—a direct attack on landowners' rights.

This **transmission-first approach to energy planning** is not a solution—it is an avoidable consequence of failing to protect in-state generation.

The Premature Retirement of Power Plants is Driving Unnecessary Transmission Expansion

SB 332 is a necessary and urgent step to **assess the true costs of shutting down Maryland's existing power generation facilities too soon**. The closure of these plants does not eliminate energy demand—it merely shifts the burden to out-of-state generators, forcing Maryland ratepayers to foot the bill for costly new transmission lines.

The **retirement of reliable energy resources** not only weakens Maryland's energy security but also:

- **Increases electricity costs for consumers** as more imported power is required,
- **Forces new high-voltage transmission projects** that destroy farmland and communities,
- **Compromises Maryland's environmental goals** by making the state more dependent on fossil fuel imports, and
- **Jeopardizes grid reliability** by reducing the availability of dispatchable, in-state power.

Maryland Must Take Control of Its Energy Future

By supporting SB 332, Maryland is taking a responsible, data-driven approach to energy planning. This **Task Force will provide critical oversight and guidance** to ensure that energy decisions balance environmental priorities, economic stability, and energy security. Specifically, SB 332 will:

1. **Examine the impact of premature plant retirements** on energy affordability, reliability, and environmental goals.
2. **Evaluate the necessity of new transmission projects**, ensuring they are not just profit-driven at the expense of Maryland communities.
3. **Develop a strategy for maintaining and optimizing Maryland's existing generation assets**, reducing dependence on out-of-state imports.
4. **Offer real solutions to Maryland's energy crisis**, ensuring residents and businesses are not burdened with unnecessary costs and infrastructure projects.

Recommendation

Stop MPRP, Inc. strongly urges the committee to issue a **favorable report on SB 332**. Maryland must prioritize **energy independence and grid reliability** over reckless transmission expansion that benefits out-of-state interests while harming our farms, forests, and communities. By enacting SB 332, Maryland can **take control of its energy future**, avoiding the destruction of our land while ensuring a **reliable, affordable, and sustainable** electricity supply.

Respectfully submitted,

Joanne Frederick
President
Stop MPRP, Inc.
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Testimony SB 332 - Task Force to Study the Prematu

Uploaded by: Justin Ready

Position: FAV

JUSTIN READY
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MINORITY WHIP

Finance Committee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 11, 2025

Senator Justin Ready
SB 332 - Task Force to Study the Premature Retirement of Electricity Generation Facilities

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Chairman Feldman, Vice Chair Kagan, and member of the Education, Energy, and the Environment Committee,

HB 332 establishes the Task Force to Study the Premature Retirement of Electricity Generation Facilities. Staffed by the Public Service Commission (PSC), they Task Force would be required to report their findings and recommendations by January 1, 2026.

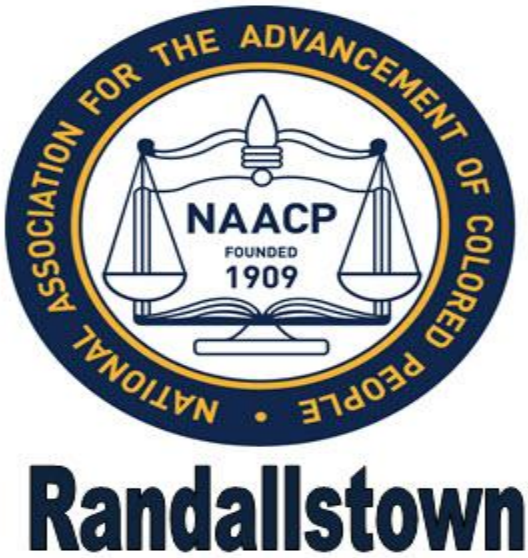
The Electric Customer Choice and Competition Act of 1999 facilitated the restructuring of the electric utility industry in Maryland, which deregulated the generation, supply, and pricing of electricity. As part of restructuring, the State's vertically integrated electric companies divested themselves of their generation assets. With restructuring, generation resources are considered competitive, and the competitive market is relied upon to provide new generation resources and to meet load requirements. Deactivation decisions are made by facility owners as business decisions. PSC does not have regulatory authority over plant closures. In order to meet long-term, anticipated demand in the State for standard offer service and other electricity supply, PSC may require or allow an investor-owned electric company to construct, acquire, or lease, and operate, its own generating facilities, and transmission facilities necessary to interconnect the generating facilities with the electric grid, subject to appropriate cost recovery. PSC is also the lead agency for licensing the siting, construction, and operation of power plants and related facilities in the State under the certificate of public convenience and necessity process. Each year, the PSC chair must forward to the Secretary of Natural Resources a 10-year plan listing possible and proposed sites, including the associated transmission routes, for the construction of electric plants within the State, subject to specified requirements.

The task force must:
-Assess the cost savings for customers that result from the retirement of electricity generation facilities.

-Evaluate the impact that the premature retirement of electricity generation facilities has on the reliable energy supply for customers.
-Evaluate the environmental impact of the premature retirement of electricity generation facilities, including consideration of habitat disruption, wildlife impact, watershed stress, and ecological harm.
-Examine potential nationwide consequences of shortages in reliable or dispatchable electricity if a Maryland electricity generating facility retires prematurely.
-Examine the economic challenges faced by electricity generating companies, which have led to premature retirement of electricity generating facilities and evaluate potential mitigations to sustain their operations.
Facilitate collaboration among stakeholders, including utilities, environmental advocacy groups, energy consumers, and industry representatives.
-Conduct an infrastructure transition analysis that ensures that infrastructure developments align with the practical needs of electricity generating companies.

The task force must make recommendations to address challenges and enhance decision making regarding the premature retirement of electricity generation facilities, that include energy reliability solutions that address the imminent energy reliability gap and balance the need between economic considerations and the State’s commitment to cleaner energy goals.

Support SB0332.pdf
Uploaded by: Ryan Coleman
Position: FAV



Po Box 731 Randallstown, MD 21133

February 11, 2025

Education, Energy, and the Environment Committee

2 West Miller Senate Office Building
2 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: SUPPORT SB 0332, Task Force to Study the Premature Retirement of Electricity Generation Facilities

Dear Chair Feldman, Vice Chair Kagan and Members of the Education, Energy and Environment Committee:

The Randallstown NAACP is a 500 member branch located in Baltimore County. Maryland. We have members in Baltimore County and Baltimore City. One of primary focuses is ensuring the quality of life for all residents especially black Marylanders free of discrimination. Our branch is here to advocate and support our working and middle class families. Energy is now the number one

issue facing residents in Maryland.

Maryland consumes about 40% more electricity than it generates. The extra supply of more than 200 Trillion Btu of electricity, annually, is delivered to the state over the PJM regional grid. And the amount imported is growing dramatically.

The remaining coal power plants (with a combined generating capacity of nearly 1,800 megawatts),intend to shut down by 2025. Solar energy, wind, and biomass are increasing but will not at any reasonable time replace that capacity or energy density; so, the state will import more electricity. The largest renewable electricity source available on the grid (.. not including hydroelectric dams) is landfill gas, which is an inelastic supply. Since 2022 there is arguably more solar power generated, but nearly two thirds of Maryland's solar generation came from small-scale, customer-sited solar, such as residential rooftop solar panels (.. and not contributing in any meaningful way to the grid).

While it is popular to talk about the fact that Maryland had about 102,530 registered electric vehicles and about 1,667 electric charging stations, with both of those numbers increasing the amount of electricity used (i.e., replacing petroleum), such only exacerbates the already existing total energy imbalance.

Around 90% of Maryland's petroleum is consumed by the transportation sector, which accounts for 33% of the state's total energy consumption, followed closely by the residential sector at 31% and the commercial sector at 29%. But the state public policy to increase electric vehicle use and electrify buildings (that are today using natural gas) will of course increase electricity use and that electricity will be imported with a significant portion of it generated from coal.

We need to investigate not closing Brandon Shores and Wagner Coal Facilities. These facilities specifically power Baltimore City. The closure of these facilities will impact power reliability across seven PJM zones. We also need to investigate a third reactor at Calvert Cliffs. We must balance environmental concerns and the energy needs of Marylanders. **If the Maryland General Assembly does not act, Maryland could face rolling black outs this summer. This bill starts us in the right direction but more must be done!**

The Randallstown NAACP supports SB 0332, Task Force to Study the Premature Retirement of Electricity Generation Facilities

The Randallstown Branch of the NAACP urges a favorable report from the committee on SB 0332.

.
yours

Ryan Coleman
Randallstown NAACP, President
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FirstEnergy FAV SB-332 - Critical Infrastructure.p

Uploaded by: Timothy Troxell

Position: FAV

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SUPPORT – Senate Bill 0332
Task Force to Study the Premature Retirement of Electricity Generation Facilities
Education, Energy, and the Environment Committee
Thursday, February 13, 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 strongly supports Senate Bill 0332 - *Task Force to Study the Premature Retirement of Electricity Generation Facilities*. This legislation seeks to establish a task force to analyze and address Maryland's evolving energy market.

Potomac Edison / FirstEnergy requests a Favorable report on SB-332. The formation of this task force will help ensure the long-term reliability, affordability, and sustainability of Maryland's energy supply.

The continuous delivery of electricity to homes, businesses, government agencies, and other services is essential – and any disruption could significantly affect public safety, economic stability, and the well-being of our customers. Finding solutions that address the imminent energy reliability gap and balance the need between economic considerations and the State's commitment to cleaner energy goals, is imperative.

We support the establishment of this task force and believe a balanced representation of stakeholders is essential to ensure all perspectives are adequately considered. We offer the following comments related to the task force composition that could help strengthen its effectiveness.

Currently the task force includes only one member from the House and one from the Senate. This limited representation may pose challenges depending on the constituencies represented by the members chosen, as rural and urban Maryland often have distinct energy needs and policy approaches. Additionally, the bill does not specify whether these legislators will be from the same party or of differing affiliations -- and bipartisan participation will be crucial to fostering meaningful and productive discussions.

The task force would benefit from the inclusion of more representatives from traditional generation sources like nuclear and natural gas generation. The premature retirement of such facilities often stems from concerns related to environmental impact and long-term viability; however, these energy sources remain vital to grid reliability. Their inclusion in the discussion could help address misconceptions and ensure that all viable energy resources are considered as part of the state's future energy mix.

The inclusion of PJM, the Independent Market Monitor and Reliability First is excellent. Their growing prominence in public discussions following the recent capacity auctions and their perspective from seeing what

is happening in other states should not be marginalized. Ensuring they have a strong voice on the task force is critical.

A representative from the energy storage industry should also be considered for inclusion on the task force. Energy storage has the potential to address reliability gaps and serve as a critical component to help enhance grid stability. Their insight into the feasibility and future development of storage technologies within Maryland would be valuable, and their inclusion would help maintain Maryland its status as a leader in clean energy.

Potomac Edison / FirstEnergy believes Senate Bill 0332 presents a vital opportunity to evaluate Maryland's energy market challenges and develop strategic solutions. With a more balanced task force composition that includes bipartisan legislative participation, strong representation from market monitors, traditional energy generators, and energy storage experts, the task force can more effectively address the complexities of Maryland's evolving energy landscape.

For the above reasons, Potomac Edison / FirstEnergy respectfully request a <u>Favorable</u> vote on SB-332.

PHI Senate Bill 332- FWA Task Force to Study Gener

Uploaded by: Allyson Black-Woodson

Position: FWA

February 12, 2025

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.

Valencia McClure | Anne Klase | Allyson Black-Woodson | Poetri Deal | 410 980 5347

BGE-FWA-EEE-SB332-Task Force to Study the Prematur

Uploaded by: Guy Andes

Position: FWA

bge
AN EXELON COMPANY

Position Statement

Support with Amendments
Education, Energy, and Environment Committee
2/13/2025

Senate Bill 332 – Task Force to Study the Premature Retirement of Electricity Generation Facilities

Baltimore Gas and Electric Company (BGE) supports with amendments *Senate Bill 332 – Task Force to Study the Premature Retirement of Electricity Generation Facilities*. Senate Bill 332 establishes a task force that will examine the potential risks to the reliability and stability of the electric grid impacts premature retirement of electricity generation facilities has on the energy supply for residents and businesses in the State, the cost impacts to residents and businesses, potential mitigation strategies to address economic challenges faced by electricity generating companies, and associated resource adequacy concerns.

The retirement of electricity generation facilities can result in significant resource adequacy issues, which compromises our ability to meet the growing demand for electricity, especially during peak periods. Resource adequacy is a pressing issue nation-wide and is of particular concern in Maryland. Given the limited local generation in Maryland and pending retirements of the dispatchable generation in the state, Maryland is dependent on generation imports to achieve its electric supply. Maryland currently imports 40% of its electricity from out-of-state electricity generators to meet the energy demands of residents and businesses. Ensuring that we have a reliable and resilient electric grid is paramount for the well-being of our communities and the continued economic growth of our state.

Senate Bill 332 proposes the establishment of a task force composed of members of the General Assembly, the Department of the Environment, the Public Service Commission, representatives from PJM and Reliability First Corporation, and individuals with professional expertise in the traditional power generation and renewable energy industries. BGE respectfully requests an amendment to expand the composition of the task force to include three representatives from Maryland electric companies, with a minimum of one representative from an investor-owned electric company. The expertise and insights provided by these individuals will be invaluable in developing comprehensive and effective strategies to address resource adequacy and ensure the continued reliability of our electricity grid.

BGE requests your support for inclusion of the proposed amendment and favorable report for Senate Bill 332. Recognizing the importance of addressing the premature retirement of electricity generation facilities will safeguard the reliability of our electric grid and ensure that Maryland remains well-prepared to meet future energy demands.

Charles Washington| Brittany Jones | Guy Andes| Dytonia Reed| 410.269.5281

SB0332 - LOI - Task Force to Study the Premature R

Uploaded by: Landon Fahrig

Position: INFO

Maryland Energy Administration

TO: Chair Feldman, Vice Chair Korman, and Members of the Education, Energy, and Environment Committee
FROM: MEA
SUBJECT: SB 332 - Task Force to Study the Premature Retirement of Electricity Generation Facilities
DATE: February 13, 2025

MEA Position: LETTER OF INFORMATION

Senate Bill 332 would establish a task force to conduct assessments and make recommendations regarding the premature retirement of electricity generation facilities in Maryland.

Assessments on energy generation and facility retirement are already completed regularly by both the Maryland Public Service Commission (Commission) and PJM.

The Climate Solutions Now Act of 2022 required the Commission to complete a general system planning study to assess the capacity of each gas and electric company's distribution systems to successfully serve residents.[1] As part of its role overseeing regional transmission, PJM is responsible for the continued reliability of the transmission system. Generator retirements and any required system upgrades to keep the grid running smoothly are included in PJM's Regional Transmission Expansion Planning Process.[2]

Additionally, the Federal Energy Regulatory Commission issued Order No. 1920 in 2024, requiring PJM to conduct, and periodically update, long-term transmission planning to anticipate future needs. This long-term planning includes assessments on cost savings, infrastructure needs, and grid reliability. Order 1920-A, passed in November of 2024, strengthened the original order and included additional requirements for transmission providers to create a 20-year plan to anticipate future energy facility and infrastructure needs.

MEA urges the committee to consider this information before issuing its report.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443.842.1780.

[1] https://www.psc.state.md.us/wp-content/uploads/Corrected-MDPSC-Electrification-Study-Report-2.pdf
[2] https://www.pjm.com/library/reports-notices/rtep-documents