

Testimony: HB1532- Utility RELIEF (Reducing Energy Load Inflation for Everyday Families) ACT
Committee: Education, Energy and the Environment
Submitting: Deborah A. Cohn
Position: Unfavorable
Hearing: March 25, 2026

Dear Chair Feldman, Vice Chair Kagan and Committee Members:

I am writing in opposition to HB1532. While any omnibus bill has beneficial and troubling provisions, the unacceptable provisions of this bill outweigh the beneficial provisions.

The bill's stated purpose is bring utility ratepayers relief against skyrocketing energy costs. The bill includes some provisions designed to provide some short term, immediate relief to strapped ratepayers, but includes other provisions that are penny wise/pound foolish and will likely increase future energy costs, reduce grid reliability and undermine climate goals.

EmPOWER: HB1532 slashes EmPOWER with decreased funding over a nine year period. The 2.5% target originally scheduled to take effect in 2027 will not be fully restored until 3036. EmPOWER has been highly successful in enabling building owners to afford the energy saving upgrades, including insulation, improved windows, and installation of efficient heat pumps, needed to reduce their energy demand, particularly peak energy demand. Lowering peak demand is particularly useful since it increases grid reliability and reduces use of the most costly and polluting energy generation facilities. Any ratepayer benefit of a lower line item for EmPOWER on their bills will be more than offset by higher capacity prices increases, with these capacity costs passed along to all ratepayers. I support, however, repealing the requirement that gas utilities participate in EmPOWER, as this change will encourage beneficial electrification.

State Climate Goals: The bill undermines our ability to achieve our greenhouse gas (GHG) reduction and air pollution goals. Again the EmPOWER program reduces annual GHG reduction goals for the residential and commercial sector (although fortunately the DHCD low income program is not impacted). And the set-aside of 20% for community solar and other solar projects connecting directly to the distribution grid merely further undermines the amount of EmPOWER funds reserved for reducing building energy demand.

Solar Energy. Lacking in HB1537 is a robust set of policies to increase the supply of cost effective solar energy generation in Maryland. The failure to include in HB1532 the full array of provisions from HB345, the Affordable Solar Act, to use ACP funds to increase the amount of cost-effective new solar energy generation in Maryland is a glaring omission. The strong signal to the House that the Senate would not move HB345 was sufficient to kill what appeared to be swift House approval. The proposed short-term support for utility scale solar in HB841, Maryland Energy Administration-Renewable Energy Generation

Projects – Alternative Compliance Fee Auctions may be sufficient to enable a small group of projects already in the PJM queue to be constructed. But the robust provisions of HB345 are needed to support development of new solar projects of all sizes to move forward over a longer term. So we are left with a bridge to nowhere. Solar energy is the least costly and fastest way to bring new in-state electricity generation online. The failure to signal long-term support of all types of solar development and battery storage in Maryland will likely condemn the state unnecessarily to higher electricity costs for years. This failure is unacceptable.

Data Centers: Regulating data centers to ensure that the massive growth in demand and infrastructure needs they represent is not shouldered by other ratepayers and to protect local communities and natural resources. Electricity costs in the data center dense areas of Virginia have soared by over 150% in just five years. In the PJM region — the world’s largest power market — capacity auction prices spiked 800% in 2024, in large part due to data center growth. That year, consumers across seven PJM states paid \$4.3 billion more in electricity costs to cover deployment of new transmission infrastructure to serve data centers. While HB153 includes several provisions that appear to protect ratepayers, the vague language makes them so difficult to enforce that the ostensible protections are just “weak tea.”

Retail Supply: The provision to exchange variable rates in favor of month by month rates the “meet or beat the utility rate, and the provision to drop the 12-month trailing averages are beneficial. However, other provisions, such as increasing the retail contract length from 1 to 3 years and allowing suppliers to offer up to a 10% premium adder to electric and gas contracts, are likely to increase bills for residents and should not be included.

Given all these troubling provisions in HB1532, particularly the EmPOWER provisions and the absence of most of the solar energy generation provisions from HB324, the Affordable Solar Act, I urge this committee, unless these issues are addressed through supportive amendments, to issue an unfavorable report on HB1532.