



Montgomery County

Office of Intergovernmental Relations

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SB 386

DATE: February 24, 2026

SPONSOR: The President

ASSIGNED TO: Education, Energy, and the Environment

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POSITION: Support (Department of Environmental Protection)

Electricity Transmission and Distribution, Energy Storage, and Maryland Strategic Energy Investment Fund (Lower Bills and Local Power Act of 2026)

The bill takes several actions to improve transmission and distribution efficiency and creates new financing programs to expand solar energy production in Maryland.

Energy prices are a major concern in our community and continue to increase due to rising wholesale costs and accelerated infrastructure spending. These increases strain the budgets of County residents and business and are not sustainable.

The Lower Bills and Local Power Act of 2026 addresses rising energy costs by expanding the use of advanced transmission technologies (ATTs) to upgrade existing transmission and distribution lines in Maryland. The bill also directs the Maryland Department of Transportation to explore the potential of locating transmission and distribution lines and battery energy storage projects along existing State rights-of-way. These strategies could offer cost-effective alternatives to the legacy approach of building new lines which is expensive and creates numerous land use challenges.

The bill also creates a new grant and loan program to help deploy shovel-ready solar projects in the state. The County supports using alternative compliance fees associated with the State's Renewable Portfolio Standard for the intended purpose of funding renewable energy projects. Providing direct funding to expand solar generation will help address growing demands for electricity with in-state generation and will help to meet State climate goals.

The bill also authorizes the use of up to \$100 million from the Strategic Energy Investment Fund to be refunded or credited to residential distribution customers. We appreciate the intent to help ratepayers and encourage further consideration of the potential highest and best use of those funds, including opportunities to best support low-to-moderate income ratepayers who face particularly challenging energy burdens.

We respectfully request that the Education, Energy, and the Environment Committee issue a favorable report on Senate Bill 386.