

**DAVID S. LAPP**  
PEOPLE'S COUNSEL

**WILLIAM F. FIELDS**  
DEPUTY PEOPLE'S COUNSEL

**JULIANA BELL**  
DEPUTY PEOPLE'S COUNSEL

— **OPC** —  
**OFFICE OF PEOPLE'S COUNSEL**  
**State of Maryland**

6 ST. PAUL STREET, SUITE 2102  
BALTIMORE, MARYLAND 21202  
WWW.OPC.MARYLAND.GOV

**BRANDI NIELAND**  
DIRECTOR, CONSUMER  
ASSISTANCE UNIT

**CARISSA RALBOVSKY**  
CHIEF OPERATING OFFICER

**BILL NO.:** Senate Bill 0270/House Bill 0674 – Public Service  
Commission - Full Costs and Benefits Analysis of Sources of  
Electricity Generation

**COMMITTEE:** Education, Energy, and the Environment  
Environment and Transportation

**HEARING DATE:** February 19, 2026 (EEE)  
February 17, 2026 (ENT)

**SPONSOR:** Senators Carozza, Brooks, Gallion, Harris, Hershey, Hester,  
Simonaire, Watson, and West  
Delegates T. Morgan and Boyce

**POSITION:** Informational

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The Office of People's Counsel (OPC) respectfully provides the following informational comments on Senate Bill 0270/House Bill 0674. SB 0270/HB 0674 would require the Public Service Commission (PSC) to conduct an analysis of the costs and benefits to ratepayers of different sources of electricity generation and make recommendations for policy changes to support the development of energy sources with the lowest costs and greatest benefits.

Maryland's electricity needs have long been satisfied through participation in PJM's regional wholesale electricity markets. And Maryland's engagement in PJM's markets has, historically, allowed utility customers to benefit from importing lower-cost electricity from out of state. However, recent PJM auctions have resulted in high prices for Maryland and raised concerns about the mix of generation resources serving Maryland customers. Given these higher prices, an assessment of the costs and benefits of different sources of electricity could be beneficial.

SB 0270/HB 0674 charges the PSC with looking at the costs of the current resources serving Maryland and comparatively analyzing the costs of various sources of generation to meet Maryland's future needs. OPC is concerned that the bill as drafted does not adequately incorporate the costs and benefits of Maryland's participation in PJM's markets and all available generation technologies. A comparative study of energy costs that does not reflect Maryland's participation in regional wholesale markets may not be useful to identify policies to lower customer costs.

OPC offers the following amendments to address our immediate concerns, ensure a more robust and complete analysis, and, ultimately, lead to a more fruitful and productive discussion of state energy policy.

*First*, OPC has suggested amendments that would require the PSC to establish a baseline assessment of the costs to meet Maryland's energy demand over the next 15 years under the current resource mix plus anticipated offshore wind capacity, taking into account costs to address foreseeable reliability concerns and foreseeable transmission capabilities.

*Second*, OPC has also suggested amendments to afford the PSC more flexibility to identify resource mixes to include in the bill's required cost analysis and the ability to consider other cost models. The Levelized Full System Cost of Energy model called for in the bill, while helpful to understanding the costs of specific energy sources, may not fully account for cost savings available through participation in PJM's wholesale markets. Granting the PSC discretion to employ other models to analyze costs ensures a more complete cost assessment. The amendments further ensure that the results of the cost assessment take into account changes in forecasted demand and available energy storage resources and can be better compared to the projected costs of meeting Maryland's anticipated electricity needs under the current resource mix.

OPC appreciates the opportunity to provide these comments on SB 0270/HB 0674.

**OPC proposed amendments to SB 0270/HB 0674.**

(a) The Public Service Commission shall conduct an analysis that projects the full costs and benefits analysis of sources of electricity generation serving customers in the State.

(b) The analysis shall:

(1) ~~identify~~ project the costs of electricity to ratepayers supply for Maryland electric utility customers in 2031, 2036, and 2041 using PJM Interconnection LLC's January 14, 2026 Load Forecast Report, assuming that the State electricity capacity, energy, and ancillary services markets are is-served by the following generation mixes:

(i) natural gas energy at its current capacity;

(ii) nuclear energy at its current capacity; ~~and~~

(iii) 8,500 megawatts of offshore wind energy capacity; and

(iv) other generation or related technologies, including energy storage, available to serve customers in the State;

(2) ~~include the any~~ additional costs of electricity generation resources necessary to offset address reliability issues and the intermittency of offshore wind energy resources;

(3) account for the capacity of the transmission system in a manner that distinguishes between

(i) existing transmission capabilities; and

(ii) new transmission capabilities resulting from transmission projects approved by the Federal Energy Regulatory Commission but not yet constructed; and

(4) use the Levelized Full System Cost of Electricity model, and any other models the Commission determines appropriate, to analyze the costs of meeting the State's electricity needs in 2031, 2036, and 2041 from:

(i) only natural gas energy and energy storage;

(ii) only nuclear energy and energy storage; ~~and~~

(iii) only offshore wind energy and energy storage; and

(iv) any other generation or storage resources or combination of resources, as determined by the Commission;

(45) assuming energy storage is available to offset reliability and intermittency issues, identify the costs for natural gas energy, nuclear energy, and offshore wind, and any other resources the Commission determines appropriate energy if energy storage is available to offset reliability and intermittency issues; and

(56) include recommended policy changes to support the development of the energy sources with the lowest costs and greatest benefits to the ratepayers of the State.

(c) On or before December 1, 2027, the Public Service Commission shall report its findings and recommendations to the Senate Committee on Education, Energy, and the Environment and the House Environment and Transportation Committee, in accordance with § 2-1257 of the State Government Article.