

Testimony on: SB0092 – Electric Company Contracts, Capacity Market Models, and Regional Transmission Organizations – Studies
Committee: Education, Energy and the Environment
Submitting: Deborah Cohn
Position: Favorable
Hearing Date: February 19, 2026

Dear Chair and Committee Members:

I am a long term Montgomery County resident who has been deeply disappointed by the failure of PJM Interconnection, LLC (PJM) to adequately forecast load growth, accelerate interconnection of a backlog of inexpensive renewable energy supply, account for the closure of older generating facilities, and plan for needed transmission capacity to avoid costly emergency solutions. SB0092 addresses these concerns and I urge you to issue a favorable report on SB0092.

SB0092 requires the Public Service Commission (PSC), in consultation with the Maryland Energy Administration (MEA), to study the benefits and costs of requiring each Maryland electric company to demonstrate that it has contracted for at least 80% of its load-serving capacity over the next five-year period. The bill also requires the PSC and MEA, in consultation with neighboring states, to study the benefits and costs of options for withdrawing from PJM and submit a joint report of their findings and recommendations to the Governor and General Assembly by December 31, 2026.

Maryland is part of the 13 state regional transmission organization (RTO) called PJM. Through a series of failures, PJM actions have contributed to significant increases in electricity prices throughout the region, with a disproportionate amount of these increases falling on Maryland ratepayers. PJM has failed to evaluate and interconnect renewable energy quickly, leading it to have to close the interconnection queue for several years. It failed to plan responsibly for rapidly increasing load forecasts resulting from enormous data center growth in Virginia and other PJM states. And it failed to connect sufficient new generation and transmission to compensate for closures of several older generating plants. These failures led to dramatic ratepayer cost increases due to skyrocketing capacity market prices. According to a [July 23, 2025 article](#) in *Utility Dive*, PJM capacity market auction prices increased significantly in 2024, then increased another 22% in the summer 2025 auction, and may see record-high capacity prices for the 12-month period starting in June 2026.

In addition, PJM has not taken into account our state's energy and climate policies and has not been adequately responsive to pressure from Governor Moore and governors of many other PJM states to reform and address specific state concerns.

SB0092 allows Maryland, in conjunction with neighboring states, to consider alternatives to PJM. The study will provide policymakers with options for:

- withdrawing from the PJM capacity market and developing a multistate compact to engage in a fixed resource requirement alternative to secure electric capacity through entering contracts with private entities or competitive capacity auctions; and

- withdrawing from PJM altogether and either establishing an independent regional transmission organization (RTO) or joining a different existing RTO operating in another region or state.

PJM's failures have been costly, but the optimum responses to those failures are difficult to determine and require careful consideration. SB0092 provides for that thoughtful study. For this reason I urge this committee to issue a FAVORABLE report.