

SB0386\_RichardKaplowitz\_FAV

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Richard Keith Kaplowitz

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**TESTIMONY ON SB#/0386 – FAVORABLE**

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

**TO:** Chair Feldman, Vice Chair Kagan and members of the Education, Energy and the Environment Committee

**FROM:** Richard Keith Kaplowitz

**My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of SB#0386, Electricity Transmission and Distribution, Energy Storage, and Maryland Strategic Energy Investment Fund (Lower Bills and Local Power Act of 2026)**

This bill will add requirements to electric companies in Maryland to increase oversight of the industry and work to lower utility bills across the state. Among the mandated actions are that a person applying for a certificate of public convenience and necessity for the construction of a transmission line shall include with the application:

- at least one alternative proposal that uses advanced transmission technologies ...in whole or in part, to address the same need more efficiently or cost-effectively than the primary proposed project
- as directed by the commission, a detailed, written explanation comparing the cost-effectiveness, technical feasibility, and system benefits of each alternative proposal compared with those of the primary proposed project.

Maryland electric rates are experiencing a significant, multi-year surge in 2025–2026, driven largely by an 800% increase in regional "capacity market" auction prices. Customers ... are seeing higher bills due to high demand (especially from data centers), grid upgrade costs, and supply chain issues, with BGE bills potentially jumping by roughly \$250 annually. <sup>1</sup>

- **Key Driver - Capacity Auction:** The PJM Interconnection auction, which ensures power supply, hit record-high prices for the second year in a row. This is primarily caused by massive electricity demand from new data centers and the removal of older power plants.

To accomplish those aims to lower bills and add additional control over local power this bill will require an electric company, located in the State, that owns or operates a transmission line that is designed to carry a voltage in excess of 69,000 volts to participate as a member in a regional transmission organization under certain circumstances; requiring a person applying for a certain certificate of public convenience and necessity to include certain information with the application; requiring certain transmission utilities to submit a certain advanced transmission technology implementation report; etc.

**I respectfully urge this committee to return a favorable report and pass SB0386.**

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<sup>1</sup> Google AI Search "spike in electric rates in Maryland"