



TESTIMONY

COMMITTEE: Senate Education, Energy, and the Environment

DATE: February 24, 2026

POSITION: Favorable

BILL: SB 386

On behalf of the Maryland Municipal League, I am proud to offer our strong support for Senate Bill 386, an essential and forward-thinking piece of legislation that promises relief to our ratepayers, empowers our municipalities, and modernizes Maryland’s energy landscape for a sustainable future. Our municipalities have long navigated a complex relationship with utility companies, marked by both cooperation and friction, in our shared pursuit of reliable, cost-effective, and equitable energy distribution.

Historically, municipal governments have played a critical role as stewards of their communities’ public ways, responsible for the roads, rights-of-way, and local infrastructure that utility companies have long depended on to deliver vital services. While there have undoubtedly been successful partnerships, our experience is also marred by a recurring pattern of tension around transparency, accountability, and local autonomy. Too often, utility companies have exercised their considerable leverage to pursue large-scale transmission projects with limited meaningful engagement of local municipal leaders. Project siting and construction timelines have at times overlooked municipal concerns, and responses to our requests for local impact analysis and alternative technologies have not always met the level of rigor or responsiveness our communities deserve. This has led to a range of trials: from municipal budgets strained by unexpected roadway maintenance and repair, to frustration among residents facing rising energy costs or prolonged approval processes that stall local energy projects.

Senate Bill 386 confronts these challenges head-on by embedding municipalities more deeply and more fairly into the energy planning process. By requiring utility companies to obtain local consent, and comply with locally reasonable conditions, before laying power lines, the bill upholds the principle that local voices matter. Further, the new requirements for third-party-verified Advanced Transmission Technology Implementation Reports mandate robust consideration of alternatives, including advanced and grid-enhancing technologies. This transparent process, complete with benefit-cost evaluations and detailed reporting on technical feasibility, cost-effectiveness, and system benefits, equips our municipalities with the information they have so often been forced to request through arduous negotiations.

Perhaps most importantly, SB 386 levels the playing field by authorizing the Public Service Commission to develop incentives that prioritize efficiency, reliability, and local economic development. Municipalities are no

MML represents 161 local governments and about 2 million Maryland residents.

longer left to passively accept traditional, and potentially outdated, transmission proposals; instead, utilities must proactively justify their choices and consider innovations like dynamic line ratings, topology optimization, and high-performance conductors. These advances promise not only enhanced service reliability and grid flexibility, but also reduced transmission congestion and meaningful progress towards Maryland's ambitious renewable energy goals.

We also welcome the bill's establishment of the Solar and Energy Storage Market Stabilization Program, which directs strategic financial support toward clean energy projects, including those championed by local governments, ensuring that neither the loss of federal incentives nor market volatility will slow Maryland's energy transition. In tying grant and loan funding to shovel-ready and timely projects, the legislation ensures that our municipalities remain centered in the deployment of infrastructure that directly benefits our communities, including traditionally underserved and overburdened areas.

The balance achieved in SB 386, between firm statewide leadership and respect for local governance, addresses the recurring tribulations our municipalities have experienced: from unclear approval processes and burdensome cost recovery to the sense of exclusion from decisions deeply affecting our constituents. By codifying timely, equitable, and transparent procedures, and by reorienting utility-municipal relationships around mutual accountability, the bill offers a blueprint for progress.

Senate Bill 386 will transform past friction into future cooperation, ensuring that Maryland's municipalities are no longer passive bystanders but active partners in crafting a more resilient, affordable, and just energy system. The Maryland Municipal League urges the General Assembly to recognize the wisdom of this approach and deliver long-overdue clarity, fairness, and opportunity to our local governments and the people they serve.

For these reasons, we strongly support Senate Bill 386 and respectfully request a favorable report.

For more information relating to this piece of testimony, please contact:

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