



HoCoClimateAction.org
Howard County, Maryland

Testimony: SB0598 -- Electric Companies - Cost Containment Plans - Requirement (SAVINGS Act)
Committee: Education, Energy and the Environment
Hearing Date: March 5, 2026
Bill Sponsor: Senator Hester
Committee: Education, Energy and the Environment
Submitting: Ruth White for Howard County Climate Action
Position: Favorable

Dear Chair Feldman, Vice Chair Kagan and Committee Members,

[HoCo Climate Action](#) is a [350.org](#) local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the [Climate Justice Wing](#) of the [Maryland Legislative Coalition](#). Our organization works with residents and ally organizations to promote a safe climate and clean energy future. Specifically, we have worked extensively on clean energy and on building electrification to help Maryland achieve its ambitious climate goals, including net-zero emissions.

Thank you for allowing our testimony today in strong support of SB0598, the Savings Act. This bill requires electric companies to submit to the Public Service Commission (PSC) cost containment plans for electric distribution and transmission system planning on or before January 1, 2027, and every three years thereafter, and to submit progress reports on the implementation of the plans.

SB0598 is important to Maryland residents because it will reduce utility spending on grid infrastructure, put downward pressure on electricity supply prices, and reduce the risk of blackouts or brownouts on the electric grid. Its key provisions will require each electric utility to create a cost containment plan for PSC approval, implement cost-saving advanced energy solutions to reduce the costs of future grid infrastructure improvements, and meet a measurable, time-bound peak load reduction goal. The PSC will have the option to impose penalties on electric utilities that fail to meet the goal.

Cost-saving advanced energy solutions can include a variety of technologies. These technologies include grid-enhancing technologies (i.e., sensors to calculate the maximum electricity flow allowed on a line based on real-time weather conditions; devices that allow grid operators to direct electricity flows to avoid congested areas of the grid; and software technology that allows grid operators to reroute power flows to avoid congested areas); advanced conductors (i.e., modern cable technology that increases line capacity up to two-fold), as well as managing or storing energy.

The SAVINGS Act will address the problem of a utility bill's electricity delivery costs, which include, among other things, capital expenditures that utilities invest in poles, wires, transformers, and other equipment. As of June 2025, delivery plus transmission costs for Maryland's electric investor-owned utilities (IOUs) made up anywhere from 23% to 50% of a typical customer's monthly electricity bill.

The SAVINGS Act will save money on grid infrastructure spending going forward. Incorporating affordable advanced energy technologies will bring down the upfront costs of necessary improvements. A required cost-benefit analysis and the PSC's approval process will create a safeguard to ensure that before any construction begins utilities will be saving money for ratepayers.

For these reasons, we urge this committee to issue a FAVORABLE report on SB0598.

Howard County Climate Action

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