

SB270 Testimony - Alex Stevens.pdf

Uploaded by: Alex Stevens

Position: FAV



Statement

of

Alex Stevens

**Manager of Policy and Communications
Institute for Energy Research**

before the

**Education, Energy, and Environment Committee
Maryland Senate**

February 17, 2026

**RE: Senate Bill 270 Public Service Commission – Full Costs and Benefits Analysis of
Sources of Electricity Generation**

Institute for Energy Research

1155 15th St. NW, Suite 525, Washington, D.C., 20005

www.instituteforenergyresearch.org

Chairman Feldman, Vice Chair Kagan, members of the Education, Energy, and Environment Committee: Thank you for the invitation to speak with you today about the affordability of electricity for Maryland residents.

My name is Alex Stevens, and I am the Manager of Policy and Communications at the Institute for Energy Research (IER). IER is a not-for-profit organization that conducts research on the functions, operations, and government regulation of global energy markets.

According to the latest data from the Energy Information Administration, Maryland's electricity rates are 35% higher than those of other states in the EIA's South Atlantic region and 20% higher than the national average.¹ Additionally, research from the Berkeley National Laboratory shows that Maryland's electricity rates have increased faster than inflation.²

In December 2025, I co-authored an IER report examining state trends in electricity affordability.³ Our findings align with Berkeley Lab research showing that policies such as renewable portfolio standards and net metering significantly raise retail rates in states that adopt them aggressively.

Renewable portfolio standards (RPS) require electric utilities (or retail electricity providers) to ensure that a specified percentage (or sometimes an absolute amount) of the electricity they sell or supply comes from eligible renewable sources. Net metering is a billing policy that allows customers with small-scale renewable energy systems to receive credits on their electricity bills for the excess energy their systems generate and export to the grid.

Maryland's RPS currently requires utilities to procure an increasing share of electricity from renewable sources, with a current target of 50% by 2030.⁴ The state also maintains one of the nation's most aggressive net metering programs, providing full retail-rate credits for excess energy exported to the grid from customer-owned systems, primarily solar.⁵

¹ U.S. Energy Information Administration. (2026, January). *Table 5.6.A. Average price of electricity to ultimate customers by end-use sector, by state* [Data set]. Electric Power Monthly.

https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a

² Wisler, R., Barbose, G., Cappers, P., Deason, J., Forrester, S., Gorman, W., O'Shaughnessy, E., Hledik, R., Lam, L., & Yan, A. (2025, October). Recent retail electricity price trends: What do we know... or think we know? [Presentation]. Lawrence Berkeley National Laboratory & The Brattle Group.

https://eta-publications.lbl.gov/sites/default/files/2025-10/presentation_retail_price_trends_drivers.pdf

³ Stevens, A., Pyle, T., Stein, K., Orr, I., & Rolling, M. (2025, December). *Blue states, high rates: Elections have consequences*. Always On Energy Research and the Institute for Energy Research.

<https://www.instituteforenergyresearch.org/wp-content/uploads/2025/12/Blue-States-High-Rates.pdf>

⁴ Center for Climate and Energy Solutions. (2024, August). U.S. state electricity portfolio standards.

<https://www.c2es.org/document/renewable-and-alternate-energy-portfolio-standards/>

⁵ Maryland Public Service Commission. (2025, November). *Net energy metering in the State of Maryland: Public Utilities Article §7-306(j)* (16th report). Revised November 20, 2025.

<https://www.psc.state.md.us/wp-content/uploads/2025-Net-Metering-Report-4.pdf>

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In essence, these policies represent state efforts to favor certain generation technologies over others, resulting in increased costs passed on to ratepayers.

The impact of these policies on customer rates has largely been obscured by frequent comparisons of electricity generation technologies using the Levelized Cost of Electricity (LCOE), a metric that aggregates fixed and variable costs into a single standardized figure.

However, LCOE has faced substantial criticism for failing to account for key factors such as intermittency and non-dispatchability.⁶ These limitations are particularly relevant to variable renewable sources such as wind and solar, which can make them appear more cost-competitive than they truly are—especially in systems that require a reliable, around-the-clock supply, such as Maryland’s electric grid.

The Levelized Full System Costs approach outlined in SB270 is a better, more holistic framework, incorporating the broader costs required to deliver reliable, demand-matching electricity across an entire electricity system or market, including costs associated with system responsibility, intermittency, balancing, and integration.⁷

Focusing on the full system cost of electricity is the right strategy, as it reflects the amount that we all pay through our utility bills and through taxes. Adopting SB270 would provide Marylanders with transparent insights into how policy choices truly affect their electricity bills, focusing on what matters most: reliable and affordable service.

Thank you.

⁶ Emblemssvåg, J. (2025). Rethinking the “Levelized Cost of Energy”: A critical review and evaluation of the concept. *Energy Research & Social Science*, 119, 103897. <https://doi.org/10.1016/j.erss.2024.103897>

⁷ Idel, R. (2022). Levelized full system costs of electricity. *Energy*, 259, 124905. <https://doi.org/10.1016/j.energy.2022.124905>

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SB270 - PHI - FAV - Full Cost Analysis - ELectrici

Uploaded by: Allyson Black-Woodson

Position: FAV

February 19, 2026

Support – Senate Bill 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) support **Senate Bill 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation**. The bill requires the Public Service Commission (PSC) to conduct an analysis of the full costs and benefits of sources of electricity generation in the State. It also requires the Commission to include recommended policy changes to support the development of energy sources with the lowest costs and greatest benefits to the ratepayers of the State and report its findings and recommendations to certain committees of the General Assembly by December 1, 2027.

Pepco and Delmarva Power support the intent of the bill, to better understand cost and benefit projections of various sources of electricity generation, given that resource adequacy is a pressing issue nation-wide and is of particular concern in Maryland. With limited in-state generation and retirements of dispatchable resources, Maryland relies heavily on energy imports to meet demand. The North American Electric Reliability Corporation (NERC) forecasts show electricity peak demand and energy growth between 2024 and 2033 at the highest levels in a decade. PJM is already seeing significant demand growth due to electrification and energy-intensive data centers. To maintain reliability, new dispatchable generation, storage, energy efficiency, demand response, and hybrid solutions using clean fuels are essential.

Pepco and Delmarva Power believe the PSC is the appropriate state agency to lead the analysis effort and to provide recommendations to the General Assembly on the most cost-effective and most beneficial option(s) of electricity generation. The PSC has already created a Maryland Unified Benefit-Cost Analysis (UBCA) work group that was tasked with addressing the cost-effectiveness of all Distributed Energy Resources (DERs). It would be beneficial to incorporate analysis/feedback from this work group into the requirements set forth by the legislation.

Given the amount of energy legislation coming before the General Assembly, Pepco and Delmarva Power recommend a favorable report on Senate Bill 270 to ensure legislators have the information and resources required to make informed decisions on the future of energy generation in the state of Maryland.

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.

SB 270 - Public Service Commission - Full Costs an

Uploaded by: Christa McGee

Position: FAV



Senate Bill 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

Position: Support

Maryland REALTORS® supports SB 270, which would require the Public Service Commission to conduct a full costs and benefits analysis of electricity generation sources in Maryland, including analysis of ratepayer costs under specified generation mixes and consideration of additional costs necessary to address reliability and intermittency. The bill also directs use of a full system cost model and requires recommendations for policy changes that support energy sources with the lowest costs and greatest benefits to ratepayers.

Maryland REALTORS® supports a rigorous analysis that includes reliability and real-world system costs so future mandates are guided by what is actually affordable for ratepayers. Housing affordability is directly affected by monthly utility costs, and transparent analysis of full system impacts helps ensure energy policy decisions reflect both price and reliability instead of assumptions that may not hold in practice.

For these reasons, Maryland REALTORS® respectfully requests a favorable report.

**For more information contact lisa.may@mdrealtor.org
or christa.mcgee@mdrealtor.org**

BGE_FAV_EEE_Senate Bill 270 - Public Service Commi

Uploaded by: Dytonia Reed

Position: FAV



Position Statement

Support

Education, Energy, and Transportation
2/17/2026

Senate Bill 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

Baltimore Gas and Electric Company (BGE) supports **Senate Bill 270 – Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation**. *Senate Bill 270* requires the Public Service Commission (PSC) to conduct an analysis of the full costs and benefits of sources of electricity generation in the State and to recommend policy changes to support the development of energy sources based on the lowest costs and greatest benefits to ratepayers. The PSC would be required to file its findings and recommendations to certain committees of the General Assembly by December 1, 2027.

BGE is supportive of the bill's goal to better understand cost and benefit projections of various sources of electricity generation, given that resource adequacy is a pressing issue nation-wide and is of particular concern in Maryland. The retirement of electricity generation facilities in Maryland is contributing to significant electricity constraints, which has increased pricing in the capacity market and has prompted multiple large-scale transmission projects to be constructed to import more energy into the State. Given the limited local generation in Maryland and pending retirements of the dispatchable generation in the state, Maryland is dependent on generation imports to achieve its electric supply. Maryland currently imports 40% of its electricity from out-of-state electricity generators to meet the energy demands of residents and businesses and that number will increase if new generation is not built in the State.

BGE believes the PSC is the appropriate state agency to lead the analysis effort and to provide recommendations to the General Assembly on the most cost-effective and most beneficial option(s) of electricity generation. The PSC has already created a Maryland Unified Benefit-Cost Analysis (UBCA) work group that was tasked with addressing the cost-effectiveness of all Distributed Energy Resources (DERs). It would be beneficial to incorporate analysis/feedback from this work group into the requirements set forth by *Senate Bill 270*.

BGE remains committed to supporting Maryland's energy transition and supports policies that keep affordability, resiliency, and reliability a priority. Given the amount of energy legislation coming before the General Assembly, BGE recommends a favorable report on *Senate Bill 270* to

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

[John Haysbert](#) | [Brittany Jones](#) | [Guy Andes](#) | [Dytonia Reed](#) | 410.269.5281



Position Statement

ensure legislators have the information and resources required to make informed decisions on the future of energy generation in the state of Maryland.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

John Haysbert | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281

SB 270 - PSC - Full Costs and Benefits Analysis of

Uploaded by: Grayson Middleton

Position: FAV



Educate. Advocate. Innovate.

Date: February 19, 2026
To: Members of the Senate Committee on Education, Energy, and the Environment
From: Grayson Middleton, Government Affairs Manager
Re: SB0270 – PSC - Full Costs and Benefits Analysis of Sources of Electricity Generation – **Support**

Delmarva Chicken Association (DCA) is the trade association representing the meat-chicken growers, companies, and allied business members on the Eastern Shore of Maryland, Delaware, and the Eastern Shore of Virginia. Collectively, we contribute more than \$5.4 billion to Maryland’s economy and pay more than \$254 million in state and local taxes. We strongly support SB 270 and urge a favorable committee report.

SB 270 would require the Public Service Commission to analyze the full costs and benefits of sources of electricity in the State of Maryland. It also requires the commission to include recommended policy changes to support the development of energy sources with the lowest costs and greatest benefits to ratepayers of the State.

Rising electricity costs in Maryland have affected every citizen. However, these higher rates have been particularly damaging for chicken farmers, who already count electricity as their highest input cost. Farmers on Delmarva have seen a 6% average annual increase in their rates, and these have consistently been 7% higher than the national average for commercial customers. Compounded by weather events, HPAI, unfavorable markets, and government regulation, these costs have put an enormous amount of pressure on our farmers. We believe the State should make every effort to investigate avenues to reduce electric costs for our producers, and as such, we urge a **favorable** report.

Should you have any additional questions, please feel free to contact me at middleton@dcachicken.com or 410-490-3329.

Sincerely,

Grayson Middleton

Government Affairs Manager

PSC Cost Analysis.pdf

Uploaded by: Jeannie Haddaway-Riccio

Position: FAV



Talbot Watermen Association, Inc.

P.O. Box 324 • Bozman, MD 21612 • (410) 745-9759 • info@talbotwatermen.org

February 1, 2026

The Honorable Brian Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

The Honorable Marc Korman
Chair, Environment & Transportation Committee
251 Taylor House Office Building
Annapolis, Maryland 21401

Dear Chair Feldman, Chair Korman, and Members of the Committee,

We are writing to express our **support** for **House Bill 674/Senate Bill 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation.**

These bills would require the Public Service Commission (PSC) to conduct an analysis of the full costs and benefits of various energy sources and provide policy recommendations to the legislature by December 1, 2027. Those recommendations would be based on the energy sources that have the lowest costs and greatest benefits to Maryland's ratepayers.

Continually rising energy costs are negatively impacting the seafood industry, which is primarily made up of small businesses. We are also experiencing economic hardship as individual rate payers due to residential rate increases and congestion charges. Increasing clean, reliable, and affordable electricity generation in Maryland's portfolio will help to ease these cost burdens and make Maryland's economy more resilient. The analysis required by this legislation will provide a true picture of which sources can achieve that outcome for Maryland's energy future.

It will also provide an assessment of energy sources that disproportionately impact our industry, such as offshore wind. Offshore wind projects such as the one proposed in Ocean City impede safe navigation, disrupt habitat, damage fishing gear, and reduce our industry's ability to feed Marylanders. We believe that those consequences far outweigh the benefits. A full cost and benefits analysis will help to determine that.

Thank you in advance for your consideration, and we respectfully request a favorable report for Senate Bill 674/ House Bill 270.

Sincerely,

Herman Jeffrey Harrison
President

Contact:

Jeannie Haddaway-Riccio
R&R Solutions, LLC
(443) 786-2137
jeannie@randrsolutions.us

SB 270 - Carozza Testimony_FINAL.pdf

Uploaded by: Mary Beth Carozza

Position: FAV

MARY BETH CAROZZA
Legislative District 38
Somerset, Wicomico,
and Worcester Counties

Education, Energy, and
the Environment Committee

Executive Nominations Committee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 19, 2026

The Senate Education, Energy, and Environment Committee
SB 270 – Public Service Commission – Full Costs and Benefits Analysis of
Sources of Electricity Generation
Statement of Support by Bill Sponsor Senator Mary Beth Carozza

Thank you Chair Feldman, Vice Chair Kagan, and my fellow members of the distinguished Senate Education, Energy, and Environment Committee for this opportunity to present Senate Bill 270 – Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation and ask for a favorable report.

I want to thank my fellow members of this Committee – Senators Brooks, Gallion, Harris, Hester, Simonaire, and Watson – for cosponsoring this important legislation that prioritizes our ratepayers who deserve to know the true and full costs of energy generation.

Maryland is continuing to face an energy crisis. Regional electricity demand growth due to data center development as well as Maryland’s intense electrification efforts that have unfortunately led to the retirement of coal and oil generation facilities without an adequate replacement have caused utility rates to skyrocket. Since 2018, the State has seen the retirement of 6,000 MW of electric generation resources – but the addition of only 1,600 MW of resources during that same time frame. Maryland is now importing more than 40 percent of its electricity, further contributing to the rising energy costs directly impacting our ratepayers.

During the 2025/2026 PJM capacity auction energy prices increased significantly from \$28.92/megawatt-day to \$269.92/megawatt-day. This is a nearly 800% increase in the cost of electricity. Energy prices continued to increase following the 2026/2027 PJM capacity auction, which resulted in capacity prices rising to \$329.17/megawatt-day, a record high for the second straight year. Due to the substantial increases in the cost of electricity for our ratepayers, PJM agreed to place a price cap on capacity auctions, but this price cap is scheduled to sunset after the 2029/2030 delivery year (upon evaluation and approval by the Federal Energy Regulatory Commission). This is a temporary fix for a long-term problem.

Maryland is already facing a capacity shortage. On July 21, 2025 PJM filed a request for a Federal Power Act section 202(c) emergency order with the Department of Energy for the Wagner 4 electric generator station in Anne Arundel County in response to a shortage of available electric generation supply in the region. The emergency order was granted, and less than a month later, on August 11, 2025, an estimated 4,000 Maryland residents lost power within the BGE service area due to a “transmission constraint issue” according to a BGE spokesperson.

The U.S. Department of Energy has warned that Marylanders could face controlled rolling blackouts if we face another heatwave similar to the one which occurred in late June 2025. Maryland's energy crisis contributed to the rising cost of electricity that has crippled the finances of so many of our constituents, who now must also contend with the potential for blackouts and brownouts.

SB 270 would require the Public Service Commission to conduct an analysis of the full costs and benefits of sources of electricity generation in the State and to recommend policy changes to support the development of energy sources based on the lowest cost and greatest benefit to the ratepayers.

An important term to highlight in the bill is "full." Currently, calculating the "Levelized Costs of Electricity", or LCOE, is the most popular method used to compare the costs of generating electricity using different technologies. A company called Lazard (a financial advisory/asset management company) is best known for producing the leading LCOE report. LCOE specifically calculates the average revenue per unit of electricity needed to break even. However, LCOE is a limited calculation method as it leaves out important factors regarding renewable generation, such as the impact of intermittency and non-dispatchability, and the LCOE calculation fails to capture the full and total costs of energy generation.

For background, intermittent energy is energy that is not consistently available as they can be heavily affected by weather, season, or time of day. Therefore, intermittent energy often requires a dependable back-up energy generation source to meet the demand. Economically, the fact that intermittent generation has no obligation to meet the demand can be seen as a hidden subsidy.

Additionally, a non-dispatchable source of electricity is one that cannot be turned on and off to meet our fluctuating energy needs. Therefore, a non-dispatchable source of electricity would require energy storage so as not to waste any generated energy.

A growing number of experts are cautioning that using LCOE severely understates many broader system costs of intermittent resources, making these resources seem artificially cheap. As Maryland transitions toward renewable energy sources and electrification, we as policymakers have a responsibility to ensure grid reliability and affordability for residents. LCOE is an outdated calculation method that does not factor in the full costs of modern energy generation. In essence, LCOE has significant limitations that hide the true cost of generation. This is why SB 270 would require the PSC to use the calculation method known as the Levelized Full System Costs of Electricity", or LFSCOPE.

LFSCOPE analyzes the cost of serving an entire market using only one generating source, plus the necessary storage. In contrast to LCOE and other alternatives, LFSCOPE condenses the cost for each technology into one number per market. To be clear, this bill is NOT intended in any way as a criticism of renewable generation or any other type of generation. Rather, SB 270 simply asks the Commission to prepare a study of the true costs of different types of electricity generation that can be used to inform policy decisions. This is about collecting accurate data.

We must put our constituents first, and that means understanding how the development of various energy sources would impact the ratepayers. This bipartisan bill is a commonsense approach to ensure the full costs and benefits in developing energy are calculated and we as a body would be able to consider policy recommendations that prioritize the lowest cost and greatest benefit to the ratepayers.

I thank you for your kind attention and consideration, and I respectfully request a favorable report on SB 270.

Paige Lambermont Testimony on SB0270.pdf

Uploaded by: Paige Lambermont

Position: FAV

Statement

of

Paige Lambermont

Research Fellow
Competitive Enterprise Institute

before the
Education, Energy, and the Environment Committee
Maryland Senate

February 19, 2026

RE: Senate Bill 0270 Public Service Commission – Full Costs and Benefits Analysis of Sources
of Electricity Generation

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

My name is Paige Lambermont, and I am a Research Fellow in the Center for Energy and Environment at the Competitive Enterprise Institute. CEI is a nonpartisan public policy research organization focused on free market solutions to public policy problems.

I'm grateful for the chance to speak to you today about Senate Bill 0207 and the opportunity to protect Maryland ratepayers.

No electricity source exists in a vacuum. The power grid is an interconnected system that exists to deliver electricity from where it is generated to where it is consumed. This happens on a near-instantaneous basis.

It only works if power is available when it is demanded, and in the correct quantities. Intermittent sources, including offshore wind, struggle to provide the degree of consistency that the power grid needs to operate.

To have the necessary level of consistency, there needs to be backup generation, often in the form of natural gas peaker plants. An understanding of the costs of various power sources that fails to take this into account is sorely lacking.

Maryland has an incredibly high Renewable Portfolio Standard (RPS) that requires over 50 percent of the state's power come from renewable sources by 2030.¹ Maryland also has high power prices 21.34 cents per kilowatt hour (kwh) in November of 2025, compared to an average of 15.86 cents per kwh for other South Atlantic states, and a U.S. average of 17.78 cents per kwh.²

Senate Bill 0270 would require an analysis of the costs of various sources of electricity; gas, nuclear, and offshore wind. This analysis would calculate each source's levelized full system cost of generation, rather than the cost of generating a unit of power in a vacuum, as many levelized cost of electricity models do.

This analysis would accurately account for the costs that intermittency imposes so that policymakers are able to understand the true costs and benefits of various sources of electricity.

This is especially important when considering policies such as renewables portfolio standards that impose requirements for the use of a specific type of generating source.

Government should not adopt policies, such as Renewable Portfolio Standards, that choose winners and losers in the electricity space. The first step towards protecting ratepayers from these standards is an honest accounting of what the mandates will cost.

¹ Department of Legislative Services, *Introduction to the Renewable Energy Portfolio Standard*, September 2025, <https://dls.maryland.gov/pubs/prod/NatRes/IntroductiontotheRenewableEnergyPortfolioStandard.pdf>.

² U.S. Energy Information Administration, *Electric Power Monthly*, Table 5.6.A, "Average Price of Electricity to Ultimate Customers by End-Use Sector, by State, November 2025 and 2024," January 26, 2026, https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a.

I urge you to take this opportunity to accurately account for the cost to Maryland ratepayers of different electricity sources. Senate Bill 0270 helps to achieve this objective.

Thank you.

SB 270 - Commissioners of St. Mary's County SUPPOR

Uploaded by: Randy Guy

Position: FAV

ST. MARY'S COUNTY GOVERNMENT
COMMISSIONERS OF
ST. MARY'S COUNTY



James R. Guy, President
Michael R. Alderson, Jr., Commissioner
Eric S. Colvin, Commissioner
Michael L. Hewitt, Commissioner
Scott R. Ostrow, Commissioner

**SB 270 - Public Service Commission –
Full Costs and Benefits Analysis of Sources of Electricity Generation**

COMMITTEE: Education, Energy & Environment
POSITION: Support

The Commissioners of St. Mary's County support **SB 270 - Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation**. This bill would require the Public Service Commission ("PSC") to conduct a cost and benefit analysis for certain sources of energy generation and require PSC to deliver recommendations

Like elected officials across the state, we hear concerns from our citizens arising from affordability. Many of these concerns specifically address costs of electricity. SB 270 is commonsense: knowing what our electricity costs to produce will help policymakers make informed, knowing decisions about the costs and benefits of Maryland's energy policies.

We urge you to **support SB 270**. We believe the information that will be gleaned from this report will be valuable to decisionmakers and, in turn, valuable to the citizens of St. Mary's County. Thank you for your consideration of this matter and thank you for the opportunity to provide this testimony.

Sincerely,
COMMISSIONERS OF ST. MARY'S COUNTY


James Randy Guy, President

CSMC/AB/tr
T:/Consent/2026/017

Cc: Senator Jack Bailey
Delegate Matthew Morgan
Delegate Brian Crosby
Commissioner Mike Alderson, Jr.
Commissioner Eric Colvin
Commissioner Michael Hewitt
Commissioner Scott R. Ostrow
David Weiskopf, County Administrator
David Yingling, Deputy County Administrator
Buffy Giddens, County Attorney
John Sterling Houser, Deputy County Attorney

SB 270 Testimony-combined.pdf

Uploaded by: Ryan Snow

Position: FAV



Senate Bill 270

Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation

Position: **SUPPORT**

To: Education, Energy and Environment Committee

Date: February 17, 2026

From: County Commissioners of Worcester County

Worcester County supports Senate Bill 270, which would provide the state with a more accurate understanding of energy costs.

As Maryland moves toward clean energy, residents are grappling with some of the highest electric rates in the country. A full costs and benefits analysis of sources of electricity generation is a logical way to determine the true price of each type of generation. A better understanding of costs will allow state leaders to make decisions on energy policy that support renewable energy initiatives while taking into account the financial impact on Maryland ratepayers.

This bill ensures that a thorough analysis of energy costs occurs. While we all support clean energy, the fact that renewable options like wind and solar are not always available and need to be partnered with battery storage and/or rely on fossil fuel is something that must be considered going forward. A Levelized Full System Cost of Electricity examination would consider the irregularity of renewable energy and as such will provide us with the true cost of these energy options. We urge you to provide a favorable report to Senate Bill 270. Thank you.



Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035
410-922-3426 | www.mdfarmbureau.com

February 17, 2026

To: Senate Education, Energy, and the Environment Committee

From: Maryland Farm Bureau

RE: IN SUPPORT OF – Senate Bill 270 Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation

On behalf of the 7,000 farm families of the Maryland Farm Bureau, we respectfully request a **FAVORABLE** report on Senate Bill 270. Maryland agriculture operates on narrow margins and depends on reliable, affordable electricity. Irrigation, poultry house ventilation, dairy cooling, grain drying, and on-farm processing run around the clock. Even modest increases in per-kilowatt-hour rates or new demand charges directly impact farm profitability and regional competitiveness.

SB 270 aligns directly with Maryland Farm Bureau policy supporting energy reliability, rate affordability, transparency in utility ratemaking, and careful evaluation of policies that affect ratepayers. The bill directs the Public Service Commission to conduct a comprehensive, system-wide cost and benefit analysis of competing generation sources, including the full cost of reliability, transmission, backup capacity, and storage. That disciplined approach reflects our policy position that energy decisions must account for total system impacts and protect consumers, including agricultural producers.

By promoting transparency, accountability, and sound fiscal analysis, SB 270 strengthens Maryland's long-term energy planning. A clear understanding of full system costs will help ensure a balanced generation portfolio that maintains reliability, supports economic growth, and protects ratepayers. That certainty benefits farmers, rural communities, and the broader Maryland economy alike.

For these reasons, the Maryland Farm Bureau respectfully requests a **FAVORABLE** report on Senate Bill 270.

Please reach out to Ryan Snow at ryan@randrsolutions.us with any questions.

SB 270 PSC Full Costs and Benefits Analysis of Sou

Uploaded by: Sara Westrick

Position: FAV



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facebook.com/aarpm

**SB 270 Public Service Commission - Full Costs and Benefits Analysis of Sources of
Electricity Generation
Senate Education, Energy, and the Environment Committee
February 19, 2026
FAVORABLE**

Good afternoon, Chair Feldman, Vice Chair Kagan, and members of the Education Environment and Energy Committee. My name is Sara Westrick, Advocacy Director for AARP Maryland, representing approximately 850,000 members. AARP brings the lived experiences and priorities of older Marylanders to the policymaking process, ensuring that decisions reflect the needs of adults age 50 and over, many of whom are older ratepayers living on fixed incomes.

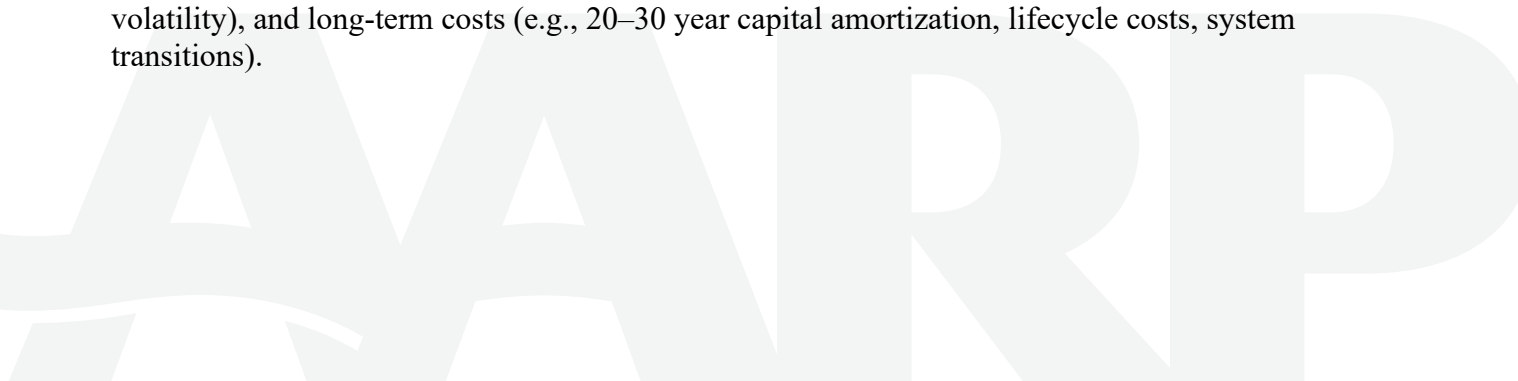
We support SB 270 Public Service Commission – Full Costs and Benefits Analysis of Source of Electricity Generation. We also thank Senator Carozza for introducing this bill.

AARP Maryland is committed to ensuring that electricity remains affordable and reliable for older consumers. Rising energy costs can place significant financial strain on retirees and those on fixed incomes, making it essential that any state energy policy prioritize cost-effective, sustainable solutions.

SB 270 requires the Maryland Public Service Commission (PSC) to conduct a comprehensive, data-driven analysis of the full costs and benefits associated with major electricity generation sources: natural gas, nuclear power, and offshore wind. The study examines both current and future-generation scenarios, including the role of energy storage, to determine which pathways offer the lowest costs and greatest benefits to Maryland ratepayers

Maryland is undergoing a major energy transition. Policymakers need independent data on how different energy sources impact reliability, affordability, long-term system costs, and ratepayer impacts. The bill specifically requires modeling that reflects the true, full system costs of each energy source. Affordability is paramount for older ratepayers, many of whom are on fixed incomes and cannot absorb sudden increases in electricity costs.

A review such as the one described in the bill may help create a clear, comparable view of long-term system viability, helping to ensure legislators have actionable guidance to shape Maryland's energy strategy. The methodology could be improved by explicitly drawing out current as well as short-term costs (e.g., near-term rate impacts, construction timelines, fuel price volatility), and long-term costs (e.g., 20–30 year capital amortization, lifecycle costs, system transitions).



AARP Maryland's Position

AARP Maryland supports cost-effective solutions for electricity generation, transmission, and storage that keep rates low for older Marylanders and all ratepayers. We urge the committee to consider flexibility in the study's modeling approach, ensuring the most appropriate tools are used to produce an accurate and meaningful cost-benefit analysis.

If you have any questions, please contact Sara Westrick at swestrick@aarp.org or 410-310-0374.

SB 270_ Public Service Commission - Full Costs an

Uploaded by: Trudy Tibbals

Position: FAV

SB 270: Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation: Please vote to **SUPPORT** this bill.

Dear Education, Energy & the Environment Committee:

I am writing to respectfully **support SB 270**, concerning the *Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation*.

Maryland families and businesses are facing rising energy costs and increasing concerns about grid reliability. Sound energy policy requires transparent, comprehensive evaluation of all electricity generation sources—examining not only upfront costs, but also long-term reliability, environmental impact, infrastructure requirements, ratepayer effects, and grid stability.

SB 270 promotes informed decision-making by requiring a full accounting of both the costs and the benefits associated with various generation sources. Too often, policy decisions are made based on partial data or limited projections. A thorough analysis will allow policymakers, regulators, and the public to better understand trade-offs and ensure that future energy decisions are economically responsible and technically sound.

An objective, data-driven review also strengthens public confidence. Ratepayers deserve assurance that energy policies are grounded in comprehensive analysis rather than assumptions. By equipping the Public Service Commission with clearer evaluative standards, **SB 270 supports transparency, accountability, and balanced energy planning.**

Maryland’s energy future should be built on careful analysis, fiscal responsibility, and reliability for consumers. SB 270 is a prudent step toward achieving those goals.

For these reasons, I respectfully urge you to **support SB 270**.

Thank you for your time and thoughtful consideration.

Respectfully,

Trudy Tibbals

SB270support2026.pdf

Uploaded by: william Chambers

Position: FAV



February 16, 2026

Senator Brian J. Feldman
Chair, Senate Education, Energy and Environment Committee
2 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Dear Chair Feldman and members of the Senate Education, Energy and Environment Committee,

This letter is to support SB 270, Public Service Commission – Full Costs and Benefits Analysis of Sources of Electricity Generation.

On behalf of the 730 members of the Salisbury Area Chamber of Commerce, we are in full support of this Bill. Energy costs in Maryland have skyrocketed, placing another financial burden on businesses to make ends meet. In particular, our small businesses have really felt the rising costs of energy which is having repercussions on their ability to hire new staff, expand their small business and contribute to the growth of Maryland's economy.

Requiring the Public Service Commission to conduct an analysis looking for the full costs and benefits of a variety of energy sources currently in generation in Maryland. It is of the utmost importance that the results of this analysis lead to policy changes to support the generation of energy sources that result in lower costs to produce with the greatest benefits to all Maryland ratepayers.

The Salisbury Area Chamber of Commerce urges a favorable report on SB 270.

Respectfully,

William R. Chambers
President/CEO

SALISBURY AREA CHAMBER OF COMMERCE

The Voice for Business on Delmarva

SB270-HB674.Pavlak.FWA_SourcesElectricityGeneratio

Uploaded by: Alex Pavlak

Position: FWA

SB270-HB674.Pavlak.FWA

Full Costs and Benefits Analysis of Sources of Electricity Generation

Written testimony

[My latest OpEd](#) in the Baltimore Sun argues that Maryland needs a vision of net-zero. The classic strategic planning process is a sequence that 1) starts with a goal, 2) quantifies factual options, then 3) makes the political value choice of which option serves as a vision. This bill tackles task #2.

To create a vision (not a system design) the level of analysis is called concept modeling, what engineers sometimes call “toy models.” It focusses on those parameters that have a first order impact on the relationship between components (wind and PV for example) and ignores parameters that do not affect relationships, like transmission. The map in the adjacent figure concludes that the configuration of a minimum cost wind + PV + storage (only) system that satisfied PJM’s 2021 load profile would consist of 400 GW PV, 8700 GW onshore wind and 1,460 GWh storage.

		PV nameplate (GW)										
OnSW\PV		0	100	200	300	400	500	600	700	800	900	1000
	0											1410
	100		OnSW + PV + Li 400 GW PV 800 GW OnSW \$321/MWh Storage 1,460 GWh Curtailed 1,900 TWh									
	200						487	435	422	413	408	409
	300					402	394	394	393	393	393	394
	400					379	378	378	378	378	379	380
	500			424	365	364	363	363	363	364	365	366
	600		519	400	350	348	348	349	349	350	351	356
	700	888	479	382	335	334	334	335	336	344	359	374
	800	672	452	365	329	321	323	334	349	364	379	394
	900	565	438	364	334	327	340	355	369	384	399	415
	1000	548	430	369	346	347	360	375	389	405		
	1100	549	432	376	361	367	381	395	410			\$/MWh
	1200	500	437	391	377	387	401	415				

100% Wind + PV (PJM 2021)

The bill needs more specificity to task concept modeling and avoid the unnecessary system design details.

Amendments

CHANGE THE TITLE TO ENGINEERING SPEAK - A “Cost benefit analysis” often includes subjective measures of cost and benefits such as the social cost of carbon. The sequential strategic planning process separates the objective definition of fact from subjective choice.

Replace the title:

~~Full Costs and Benefits Analysis of Sources of Electricity Generation~~

With:

System cost analysis of alternative electricity generation technologies

Replace:

~~SECTION 1. (a) The Public Service Commission shall conduct a full costs and benefits analysis of sources of electricity generation in the State.~~

With:

SECTION 1. (a) The Public Service Commission shall conduct a system cost analysis of alternative electricity generation technologies in the State using historical data, hourly dispatch, perfect



February 19, 2026
2/17/2026 9:25 AM

transmission (no cost, no loss), and no imports/exports. Its purpose is to provide factual options and constraints, technology proportions and generation costs, for reliable clean electricity system generation in the State.

Replace:

~~SECTION 1. (b) (3) (I) only natural gas energy and energy storage;~~

With:

SECTION 1. (b) (3) (I) only natural gas energy, a optimal cost combination of combustion turbines and combined cycle plants, this is the baseline;

New task:

SECTION 1. (b) (3) (iv) identify the optimal cost combination of OSW, OnSW, PV, Li battery storage, and new nuclear (large). Explore the cost impact of up to 5% natural gas generation. Explore cost sensitivity using 2050 NREL/ATB cost projections. Rank the best net-zero system configuration options. Include other optimizations as the need arises. The PSC shall employ expert advisors to help guide the study.

THIS IS IMPORTANT

Replace:

~~SECTION 1. (b) (4) identify the costs for natural gas energy, nuclear energy, and offshore wind energy if energy storage is available to offset reliability and intermittency issues; and~~

With:

SECTION 1. (b) (4) All of the Levelized System Cost studies under SECTION 1. (b) (3) (I-iv) shall assume all new construction; unit technology costs from NREL/ATB.v2 2024 cost projections for 2024, R&D case, no subsidies; perfect transmission, no cost, no loss; closed state borders, no imports, exports to PJM; simple hourly dispatch of metered load and renewable resource data for 30 years to capture the impact of renewable energy droughts. Wind and solar production to be based on reanalyzed wind and insolation solar data filtered through turbine and PV module models.



SB 270- PSC Fav w Amend.pdf

Uploaded by: Barve Barve

Position: FWA

COMMISSIONERS

STATE OF MARYLAND

KUMAR P. BARVE
CHAIR

FREDERICK H. HOOVER, JR.
BONNIE A. SUCHMAN
ODOGWU OBI LINTON
RYAN C. MCLEAN



PUBLIC SERVICE COMMISSION

Chair Brian Feldman
Education, Energy and the Environment Committee
2 West Miller Office Building
Annapolis, MD 21401

RE: SB 270 – Favorable with Amendments – Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

Dear Chair Feldman and Committee Members:

The Public Service Commission (the Commission) provides the following comments on Senate Bill 270 (SB 270) for your consideration. The Commission requests a favorable report, with consideration of the amendments detailed below.

The proposed legislation requires the Commission to conduct a full costs and benefits analysis of electric generation sources in the State and utilizes a certain type of assessment called a Levelized Full System Cost of Electricity model to analyze certain scenarios. The Commission is required to report its findings by December 1, 2027, which is to include recommended policy changes to support the development of the energy sources with the lowest costs and greatest benefits to ratepayers in the State. The Commission will require consultants to conduct the study, as the Commission does not currently have the required software tools, databases, and training in this type of analysis. The Commission's Technical Staff would work with the consultants to accomplish the required assessment and analysis.

The study required in SB 270 would be beneficial to help inform State policy makers as strategies are developed to attract additional sources of generation to Maryland to help lower costs and meet state climate goals. The Commission believes amendments need to be made to the proposed legislation to be more technologically agnostic in its study parameters by including all generation types that may help serve Maryland's energy need in the future. The generation types to be studied should include nuclear, storage, solar, wind, and natural gas. The Commission also requests that a definition of "Levelized Full System Cost of Electricity" be provided and whether other models that help inform future cost of generation should be included.

The Commission appreciate the opportunity to provide testimony on SB 270 and requests a favorable report with consideration of the amendments detailed above. Please contact the Commission's Director of Legislative Affairs, Niki Wiggins, if you have any questions.

Sincerely,

WILLIAM DONALD SCHAEFER TOWER 6 ST. PAUL STREET BALTIMORE, MARYLAND 21202-6806

410-767-8000

Toll Free: 1-800-492-0474

FAX: 410-333-6495

MDRS: 1-800-735-2258 (TTY/Voice)

Website: www.psc.state.md.us



Kumar P. Barve
Chair, Maryland Public Service Commission

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SB 270_MDCC_Public Service Commission-Full Costs a

Uploaded by: Hannah Allen

Position: FWA



Senate Bill 270

Date: February 19, 2026

Committee: Environment and Transportation

Position: Favorable with Amendments

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Senate Bill 270 (SB 270) directs the Maryland Public Service Commission (PSC) to conduct a full costs and benefits analysis of electricity generation sources in the State and to report its findings and recommendations by December 1, 2027. The current bill identifies natural gas, nuclear, and offshore wind energy as generation types to be assessed under various scenarios and explicitly requires the use of a levelized full system cost methodology to analyze those options.

The Chamber supports the bill's goals of promoting data-driven energy policy and providing clarity on cost and reliability impacts. As Maryland pursues ambitious energy and climate goals, it is critical that policymakers and regulators have a clear understanding of how different generation resources affect ratepayers, system reliability, and long-term affordability.

SB 270 takes an important step in this direction by requiring the Commission to evaluate generation resources using a full system cost framework. This type of analysis will help inform thoughtful decision-making and provide valuable insight into the tradeoffs associated with various energy pathways, particularly as businesses and households continue to experience upward pressure on energy costs.

The Maryland Chamber believes that a thorough and inclusive analysis will strengthen the usefulness of the Commission's report and enhance its value to the General Assembly, stakeholders, and the public. With that goal in mind, **we respectfully request an amendment to include solar energy as a generation source evaluated in the analysis.** Including solar will provide policymakers with a more complete and accurate assessment of system impacts, costs, and benefits as Maryland continues to evaluate energy policies that affect ratepayers and employers across the State.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable with Amendments Report** on **SB 270**.

Levelized Full system cost of electricity Senate.p

Uploaded by: Bryan Dunning

Position: UNF



February 19, 2026

**Testimony of Bryan Dunning
Senior Policy Analyst
Center for Progressive Reform**

**Before the Maryland Senate Education, Energy and the Environment Committee
Requesting an Unfavorable Report on SB0270: Public Service Commission – Full Costs
and Benefits Analysis of Sources of Electricity Generation**

Dear Chairman Feldman, Vice-Chair Kagan, and the members of the Education, Energy, and the Environment Committee,

Thank you for the opportunity to provide testimony on SB0270 on behalf of the Center for Progressive Reform. The Center is a research and advocacy organization that focuses on advancing good governance, and achieving equitable public protections. SB0270 directs the Maryland Public Service Commission (MD PSC) to conduct a study on certain generation costs of electricity in Maryland and formulate recommendations “for policy changes to support the lowest costs and greatest benefits to the ratepayers of the state.”¹ While the Center is supportive of data driven analysis that provides policy recommendations to support least-cost generation for Marylanders, SB0270 will not achieve this purpose, and as such the Center respectfully requests this committee to return an **unfavorable** reading of this bill.

Traditional Cost analysis Models

There are numerous methodologies for evaluating the cost of a generation asset that are available for industry and policy makers to utilize. For example: levelized cost of electricity (LCOE) is a model used for the last three decades by both industry and policy makers² to determine the lifetime costs of generation produced by a given facility. Similarly, levelized avoided cost of electricity (LACE) is a well vetted tool to evaluate generation’s cost and benefit to the grid, and is often used in conjunction with LCOE to evaluate whether it is economically beneficial to build

¹ HB 0674, 2026 Regular Session (MD, 2026)

² For instance, LCOE is heavily used by both the national renewable energy laboratory (NREL) and the energy information administration (EIA)

a generation project. While, as with all models, there are grounds for tweaks or improvements,³ these models have been vetted, and are useful in evaluating costs because they concern themselves with what the actual conditions of the grid and generation mix a facility will be operating in.

Levelized full system cost of electricity

Levelized full system cost of electricity (LFSCOE), which this bill directs MD PSC to use as *the* modelling tool to evaluate current gas-fired and nuclear generation costs, as well as future offshore wind generation costs⁴, *sounds* similar to existing, vetted, modeling tools – however, it, in both history and practice diverges substantially.

In history, LFSCOE, unlike commonly accepted models such as LCOE or LACE, was developed only in 2022 in a PhD dissertation paper, and lacks the vetting and proving of traditional modeling. It is accordingly not a sound basis for MD PSC to utilize to conduct a cost benefit analysis, especially absent conducting said analysis also using industry accepted models such a LCOE or LACE.

In practice, the model inputs for LFSCOE are broadly similar to LCOE – with one critical difference - LFSCOE makes an assumption that the generation type being analyzed is the *only* type of generation present on the grid, and as such adds to the project’s lifetime cost the amount of storage required ensure firm delivery for that generation type. This has two major implications as to the model. The first is that it sharply increases the modeled cost for any generation system that is intermittent, or otherwise has a low capacity factor.⁵ The second, is that outputs of the LFSCOE model are purely hypothetical.

Neither in Maryland, nor any transmission connected grid in United States, is there a market that relies on only one source of generation. Unlike traditional cost models, which concern themselves with evaluating the actual costs of generation on actual grids, LFSCOE evaluates generation under purely hypothetical market circumstances. Although this may be interesting as a thought experiment, directing MD PSC to conduct a cost study that is modeled upon a hypothetical single generation-type plus storage state grid, is, at best, not a useful exercise given the diverse generation mix in the state. At worst, it opens the door to support for misguided policy changes based on modeling assumptions that are divorced from reality.

For these reasons the Center for Progressive Reform respectfully requests an **Unfavorable** reading by this committee.

³ for example, standard LCOE does not include in its calculations the impact of greenhouse gas (GHG) emissions or public health impacts from pollution in its costs, which is something policy makers in Maryland should consider under the Climate Solutions Now Act of 2022’s provisions related to GHG reduction and overburdened and underserved communities.

⁴ The 8.5 GW of offshore wind directed by the POWER Act

⁵ The amount of generation produced by a generator compared to its full generation potential over a period of time

Sincerely,
Bryan Duning
Senior Policy Analyst
Center for Progressive Reform

SB270 SEIA Testimony 2026Feb17.pdf

Uploaded by: Georgina Arreola-Lennox

Position: UNF



February 17, 2026

Senator Brian J. Feldman
Chair
Senate Education, Energy and the
Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Senator Cheryl C. Kagan
Vice Chair
Senate Education, Energy and the
Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

RE: SEIA Opposition for SB270: Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

Chair Feldman, Vice Chair Kagan, and Members of the Senate Education, Energy and the Environment Committee:

I am writing on behalf of the Solar Energy Industries Association (SEIA) in **opposition** of SB270 (Carozza). It was referred to the Senate Education, Energy and Environment Committee on January 19, 2026.

Founded in 1974, SEIA is the national trade association for the solar and storage industries, building a comprehensive vision for the advancement of these technologies. As the voice of the industry, SEIA works to support solar and energy storage as they become a mainstream and significant energy source by expanding markets, reducing costs, increasing reliability, removing market barriers, and providing education on the benefits and capabilities of solar and energy storage technologies. We work with our 1,200+ member companies, which include solar and storage manufacturers, service providers, residential, community and utility-scale solar developers, installers, construction firms, and investment firms, as well as other strategic partners, to shape fair market rules that promote competition and the growth of reliable, low-cost energy storage and solar power.

If enacted, HB674 would require the Maryland Public Service Commission to conduct a full costs and benefits analysis of various sources of electricity generation in the state. While not problematic on its face, HB674 would require the Commission to utilize the Levelized Full System Cost of Electricity (LFSCOE) model for this analysis. Unlike the Levelized Cost of Energy and Levelized Avoided Costs of Energy, which are well-respected analytical metrics for determining the average costs and benefits of a source of electricity generation over the lifetime of that asset, LFSCOE is a concept that originates from non-peer reviewed research that is far outside the mainstream and has no bearing on energy policy design or project development.

LFSCOE is a meaningless value that is calculated based on a single, entirely unrealistic circumstance: the cost of serving the entire electricity market with only one technology plus energy storage. There is no situation in which any electric utility, state, or Regional Transmission Organization (RTO), would ever meet its load with only one type of electricity generating technology plus energy storage. LFSCOE purports to show that solar and wind are “expensive” when considering the “full system cost” because a state like



Maryland would need to dramatically overbuild wind and solar in order to provide electricity around the clock.

Because LFSCOE is calculated based on a unrealistic scenario where a single technology plus storage would replace all other types of existing electricity generation, it is entirely irrelevant to Maryland policy as the resulting cost determined by the analysis would not be experienced by any ratepayer or market participant. Maryland is in a restructured market where energy prices are set by PJM's wholesale market. These prices are based on the economic dispatch of the existing fleet, not the hypothetical functioning of an entirely fictional parallel power grid. No energy consumer would thus ever pay the "full levelized cost" of any energy asset, and no ratepayer would be forced to subsidize certain generation types at their "full levelized cost" in any circumstance.

Maryland should avoid bringing unwarranted attention to a fundamentally flawed concept. Even merely requiring the Public Service Commission to calculate the LFSCOE lends undeserved credibility to the metric and could bring negative focus against renewables as members of the public are rarely aware of nuances of power market design when faced with a splashy – but false – headline about how much certain types of electricity generation "really" cost. This approach has no merit and should not be included in any policy analysis commissioned by the state.

For these reasons, SEIA opposes this legislation and respectfully urges the Committee to issue an unfavorable report on SB270. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Georgina Arreola-Lennox". The signature is written in a cursive, flowing style.

Georgina Arreola-Lennox
Mid-Atlantic Regional Director
Solar Energy Industries Association
garreola@seia.org

Maryland Energy Adm

Uploaded by: Megan Outten

Position: UNF



Maryland

Energy Administration

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

FROM: MEA

SUBJECT: SB 270 - Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation

DATE: February 19, 2025

MEA Position: UNFAVORABLE

Senate Bill 270 mandates the Public Service Commission (PSC) to conduct a specific cost-benefit analysis of electricity generation sources in Maryland.

While comprehensive evaluations are valuable, this bill prioritizes short-term financial costs while failing to adequately consider critical factors such as environmental sustainability and public health impacts. The bill's proposed Levelized Full System Cost of Electricity (LFSCOE) model does not incorporate external costs such as carbon emissions, air quality degradation, and associated public health risks. Maryland's reliance on fossil fuels has led to increased respiratory diseases, cardiovascular conditions, and premature mortality due to pollution exposure. Additionally, the current queue for interconnection of new generation in Maryland is dominated by solar and solar plus energy storage. The mandated report fails to take these anticipated assets into account.

Maryland has made significant progress in reducing greenhouse gas emissions through policies such as the Clean Energy Jobs Act and the Climate Solutions Now Act. This bill risks undermining these efforts by using a narrow cost-analysis model that does not account for the broader benefits of renewable energy. Fossil fuel-based energy sources contribute significantly to climate change and air pollution.

Furthermore, the bill fails to acknowledge the long-term economic benefits of renewable energy investments, including job creation in the offshore wind and solar industries, reduced healthcare costs, and insulation from fossil fuel market volatility. Ignoring these factors skews the analysis in favor of short-term fossil fuel interests, delaying the transition to a sustainable energy future.

Maryland's commitment to achieving its energy and environmental goals remains a priority. SB 270 introduces unnecessary obstacles to this goal by promoting an incomplete cost evaluation that disregards the full impact of energy generation.

For these reasons, MEA urges the committee to issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, at landon.fahrig@maryland.gov or 410.913.1537.

SB0270 & HB0674 - OPC Testimony in Senate.pdf

Uploaded by: David Lapp

Position: INFO

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
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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

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.