



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

February 3, 2025

TO: The Honorable Marc Korman
Chair, Environment and Transportation Committee

FROM: Marc Elrich
County Executive

RE: House Bill 143 – *Electric Company Contracts, Capacity Market Models, and Regional Transmission Organizations - Studies*
Support

I am writing to express my strong support for House Bill 143, *Electric Company Contracts, Capacity Market Models, and Regional Transmission Organizations - Studies*. This bill requires the Public Service Commission and the Maryland Energy Administration, in consultation with neighboring states, to study the potential for Maryland to withdraw from the PJM Interconnection LLC (PJM) electricity market in favor of meeting Maryland's electricity needs through other avenues.

Energy prices are a major concern in our community and are continuing to grow partly due to rising wholesale costs associated with issues under PJM control. Indeed, the recent PJM capacity auction set a record high clearing price which the Maryland Office of People's Counsel reports will add an additional \$2.50 monthly increase for residential customers in the Pepco service territory, on top of an approximately \$14 monthly increase resulting from the last capacity auction. These increases strain the budgets of County residents and are not sustainable.

We need the State to work with other PJM states to critically evaluate alternatives to the current PJM model. We look forward to partnering with the State and other stakeholders to carefully consider how to best ensure that Marylanders have access to affordable, clean and reliable power.

I respectfully request that the Environment and Transportation Committee give this bill a favorable report.

cc: Members of the Environment and Transportation Committee