

**OPPOSE – House Bill 0040**  
**HB0040 – Public Utilities - Transmission Lines - Advanced Transmission Technologies**  
**Environment and Transportation Committee**  
**Tuesday, February 3, 2026**

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 293,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Maryland, Ohio, Pennsylvania, New Jersey, New York, and West Virginia.

**Unfavorable**

**Potomac Edison / FirstEnergy requests an Unfavorable report on HB-40 – Public Utilities - Transmission Lines - Advanced Transmission Technologies** as drafted. While the bill aims to modernize our state's electrical transmission infrastructure, we believe it is laden with unintended consequences that warrant further review and careful consideration.

**Potomac Edison / FirstEnergy requests an Unfavorable report on HB 0040 for the following reasons.**

While the bill proposes altering the definition of "*qualified generator lead line*" within the context of certificates of public convenience and necessity, this change could lead to ambiguities in regulatory interpretations -- potentially complicating the approval process for new transmission projects. The bill also mandates that the Public Service Commission consider certain evidence before taking decisive action on applications. This requirement, though well-intentioned, could prolong the decision-making process, hindering the timely development of necessary transmission infrastructure.

HB-40 requires applicants seeking certificates for constructing overhead transmission lines to include specific evidence and analysis in their applications. While thorough evaluation is essential, the administrative scope of the required analyses and reports are significant. Imposing these additional mandatory analyses increases the administrative burden on applicants and potentially delays the start of these critical infrastructure projects. Given the rapid pace of technological advancements and grid changes, the usefulness of these reports and the data within them can quickly become outdated and irrelevant.

The bill also assumes that future areas of grid congestion can be accurately projected. Growth related to new development and the shifting of energy demands make such projections inherently difficult to make -- and may lead to misguided policy decisions or the misallocation of resources.

In addition, multiple provisions of HB-40 appear to conflict with existing authority held by Regional Transmission Organizations (RTOs) and the Federal Energy Regulatory Commission (FERC). These conflicts may create regulatory confusion, delay projects, and lead to potential legal challenges that could hinder Maryland's ability to modernize its grid efficiently.

While the modernization of our electrical transmission system is a worthy goal, it is crucial to implement policies that facilitate progress without introducing new obstacles. Given the administrative scope of the analyses and reports, how quickly data can become irrelevant, the difficulty in projecting future areas of grid congestion, and the fact that multiple portions of this bill conflict with existing RTO/FERC authority, **Potomac Edison / FirstEnergy respectfully request an Unfavorable report on House Bill 0040.**