



**HB897 – SUPPORT**

Jeff Mauk

Ceres

[jmauk@ceres.org](mailto:jmauk@ceres.org)

**TESTIMONY SUPPORTING HB897:  
Electricity Transmission and Distribution, Energy Storage, and Maryland  
Strategic Energy Investment Fund  
(Lower Bills and Local Power Act of 2026)**

House Environment and Transportation Committee

February 24th, 2026

Dear Chair Korman, Vice Chair Guyton, and members of the Environment and Transportation Committee,

Ceres respectfully submits this testimony in strong support of House Bill 897, the Lower Bills and Local Power Act of 2026. Ceres is a nonprofit organization that works with investors, companies, and financial leaders to promote sustainability solutions. Through our Business for Innovative Climate and Energy Policy Network (BICEP), we mobilize over 80 major employers, including several companies doing business in MD, to advocate for more affordable and sustainable climate and clean energy policies.

**Introduction**

HB 897 advances three critical business priorities: maximizing the efficiency of existing transmission infrastructure through advanced technologies, stabilizing clean energy investment to support project development and supply chain certainty, and creating regulatory frameworks that expedite infrastructure deployment. Each of these elements directly supports Maryland business interests while positioning the state as a leader in grid modernization and energy affordability.

**Advanced Transmission Technologies**

The bill's provisions requiring applicants for transmission certificates to include alternative proposals using advanced transmission technologies represent a fundamental shift toward infrastructure optimization that directly benefits Maryland businesses. Traditional transmission planning has relied almost exclusively on building new lines and upgrading conductor capacity through conventional approaches. This results in multi-billion-dollar

investments that ultimately flow through to ratepayer costs, increasing electricity expenses for commercial and industrial customers.

Advanced transmission technologies can increase existing transmission capacity by 15-40 percent at a fraction of the cost of new construction. For Maryland businesses, this means meeting growing electricity demand and integrating renewable energy without the rate impacts associated with traditional transmission expansion. Dynamic line rating alone can increase line capacity by 20-30 percent by using real-time weather data to optimize power flows, requiring only software and monitoring equipment rather than years of construction and right-of-way acquisition.

The requirement for triennial reporting on advanced transmission technology implementation creates transparency and accountability that businesses need for long-term planning. By requiring transmission utilities to explain which advanced technologies were considered but not selected, and to provide benefit-cost comparisons between traditional investments and advanced alternatives, HB897 ensures that transmission planning prioritizes economic efficiency. This protects business ratepayers from unnecessary infrastructure costs while accelerating the deployment of innovative technologies that increase system capacity and reliability.

Furthermore, the Commission's authority to develop performance-based incentives for advanced transmission technology deployment aligns utility financial interests with ratepayer value. Rather than earning returns solely on capital expenditures for new infrastructure, utilities can be incentivized to deploy cost-effective solutions that maximize existing asset utilization. This regulatory innovation supports both business cost containment and utility financial health.

### **Solar and Energy Storage Market Stabilization**

The creation of the Solar and Energy Storage Market Stabilization Program addresses a critical market uncertainty facing clean energy development in Maryland. The potential loss or reduction of federal tax incentives creates investment risk that undermines project financing and supply chain stability. This uncertainty directly impacts Maryland businesses in the solar installation, equipment manufacturing, and energy storage sectors, while also affecting commercial and industrial customers who rely on predictable renewable energy costs for their own operations and sustainability commitments.

The program's performance-based structure using a closed bid system ensures efficient allocation of state resources while maximizing megawatt deployment per dollar invested. By prioritizing shovel-ready projects expected to interconnect within three years, the program delivers near-term economic benefits including construction jobs, equipment purchases, and operational employment. For Maryland's growing cleantech sector, this program provides market certainty that supports business planning, workforce development, and supply chain investment.

Importantly, the program's segmentation to incentivize different market subsets creates opportunities across the business ecosystem. Community solar projects enable commercial customers to access renewable energy benefits without on-site installations. Utility-scale projects provide the lowest-cost renewable generation to support economic development. Brownfield redevelopment creates economic value from underutilized properties while avoiding impacts to productive agricultural or natural lands. This market diversity supports business participation across scales and business models.

### **Regional Transmission Organization Participation**

HB 897's requirement that electric companies operating transmission lines exceeding 69,000 volts participate in a regional transmission organization addresses a fundamental economic efficiency issue. Regional transmission planning through organizations like PJM evaluates transmission investments based on systemwide benefits and allocates costs across all beneficiaries. This prevents Maryland businesses from bearing the full cost of transmission projects that provide broader regional benefits, while ensuring that transmission investments are optimized across state boundaries to capture economies of scale.

### **Expedited Infrastructure Deployment**

The provisions directing the Department of Transportation to develop processes for siting transmission lines and battery storage systems in highway rights-of-way address a critical infrastructure deployment challenge. Transmission siting has become increasingly time-consuming and contentious, delaying clean energy projects and grid improvements that businesses need. By establishing expedited approval processes and model frameworks for utilizing existing transportation corridors, HB897 reduces development timelines and costs while minimizing environmental and community impacts.

For businesses developing energy projects or requiring enhanced grid infrastructure to support facility operations, predictable and streamlined siting processes reduce project

risk and financing costs. The requirement for DOT to conduct a comprehensive study identifying appropriate rights-of-way provides the technical foundation for systematic infrastructure development rather than case-by-case negotiations that create uncertainty and delay.

### **Conclusion**

HB897 represents comprehensive policy reform that advances multiple business priorities simultaneously. By prioritizing advanced transmission technologies, the bill reduces infrastructure costs while maximizing system capacity and efficiency. By requiring regional transmission organization participation and streamlining infrastructure deployment, the bill enhances Maryland's economic competitiveness and reduces regulatory barriers to necessary grid improvements.

These provisions deliver measurable economic value to Maryland businesses through lower electricity costs, enhanced planning certainty, expanded market opportunities, and accelerated infrastructure deployment. HB897 positions Maryland as a leader in grid modernization and clean energy innovation while protecting businesses from unnecessary costs and regulatory delays.

Ceres urges the Committee to give House Bill 897 a favorable report. We appreciate the opportunity to support this important legislation and stand ready to assist with implementation to ensure that Maryland businesses realize the full economic benefits of these forward-thinking policies.

Respectfully submitted,

Jeff Mauk  
Director, State Policy, Eastern Region, Ceres