



Dewan Clayborn Testimony
Central Maryland Chamber of Commerce

Chair, Vice Chair, and Members of the Committee:

My name is **Dewan Clayborn**, and I submit this written testimony on behalf of the **Central Maryland Chamber of Commerce**, representing businesses across **seven counties and Baltimore City**, a regional footprint that serves more than **2.7 million Maryland residents** through employers, workforce partners, healthcare providers, contractors, technology firms, and small businesses that drive our state's economy.

The Chamber represents businesses of every size—from small employers operating on narrow margins to major regional job creators—and one message is consistent across sectors: **energy affordability directly affects business growth, hiring, and investment decisions in Maryland.**

For these reasons, I respectfully urge your support for **HB 1561 – The Affordable Energy Act.**

Maryland's economy cannot remain competitive if electricity costs continue rising while supply becomes less reliable. Employers need predictable operating costs to plan payroll, expand facilities, purchase equipment, and remain competitive with neighboring states. When energy costs spike, those pressures move quickly through the economy—raising the cost of doing business, increasing prices for consumers, and slowing job creation.

Maryland is now facing a clear structural energy challenge. Demand is growing rapidly due to economic expansion, electrification goals, data center growth, and the retirement of existing generation resources. Yet new supply is not being developed fast enough to keep pace.

That imbalance has serious consequences.

Businesses across our region are already feeling the impact through higher electricity bills that reduce capital available for hiring, expansion, and wage growth. For many employers, energy is now one of the most volatile cost pressures in their operating budgets.

Importantly, these higher bills are being driven by **power supply costs**, not by distribution charges. Delivery costs remain regulated and transparent. Supply prices, however, are determined through regional wholesale markets largely outside Maryland's direct control, and those wholesale costs are passed directly onto Maryland ratepayers.



The warning signs are significant. PJM capacity prices have increased dramatically—nearly **600 percent**—reflecting a tightening supply environment across the region. Even at those record-high prices, PJM’s most recent auction still failed to secure enough generation to meet future reliability targets, leaving a shortfall of more than **6,600 megawatts**.

For employers, that is not simply a market signal—it is a warning that the current system is not producing enough supply to support long-term economic growth.

HB 1561 offers Maryland a practical, pro-growth solution.

Under current law, utilities remain responsible for maintaining reliability, but they are restricted from developing generation resources when supply gaps emerge. That creates a structural disconnect: responsibility exists, but authority is limited.

HB 1561 restores accountability by allowing the **Public Service Commission** to direct regulated utilities to develop new renewable generation and battery storage resources when reliability and affordability require it.

This matters because it creates certainty that needed energy infrastructure will actually be built.

It also places generation decisions under public oversight. Regulators can evaluate cost, necessity, timing, and alignment with Maryland’s broader economic and energy goals. This is not about replacing competitive markets—it is about ensuring Maryland has a reliable backstop when markets fail to deliver adequate supply.

Other states already recognize this reality. **Thirty states currently allow utilities to develop regulated generation alongside competitive market systems.** Maryland should not be limited by a policy structure that leaves businesses exposed to supply shortages and price volatility.

From a business perspective, HB 1561 advances three priorities that matter immediately:

- **Lower long-term energy cost pressure** by increasing available power supply
- **Greater certainty that new resources will be developed when demand requires it**
- **More accountability so Maryland businesses are less exposed to wholesale market instability**



Central Maryland Chamber
Conduit of Commerce

The legislation also supports realistic planning timelines, modern infrastructure deployment, and more efficient permitting—critical tools if Maryland intends to attract investment, support economic development, and retain employers.

For the Central Maryland Chamber of Commerce, reliable and affordable electricity means more than utility policy—it means stronger business confidence, more stable operations, and a better environment for long-term growth.

Maryland’s employers need an energy system that supports expansion, protects competitiveness, and allows businesses to invest with confidence.

For these reasons, I respectfully request a favorable report on **HB 1561**.

Thank you for your time and consideration.

Respectfully submitted,

Dewan Clayborn, IOM

President & CEO

Central Maryland Chamber of Commerce

1344 Ashton Road, Suite 205

Hanover, Maryland 21076