



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Sponsor Testimony - Request for Favorable Recommendation**  
**HB 1561 – Affordable Diversification Energy Act**

Greetings Chair Marc Korman, Vice-Chair Michele Guyton, and members of the Environment and Transportation Committee,

As amended, the intent of **HB 1561** is to provide another **tool** to address Maryland's Energy Crisis. This bill focuses on strategies for **energy generation** that align with *availability, reliability, and affordability* goals.

However, to accomplish these goals, Maryland's energy policy needs a "course adjustment" with guidance and guardrails that:

1. Expand energy generation options.
2. Increase in-state renewable energy generation.
3. Improve grid stability and reliability.
4. Ensure energy projects are reviewed and approved for affordability.

**Expand energy generation options:** Complements competitive energy markets, rather than replacing them, by adding stable, publicly accountable energy supply to meet growing demand. Thirty other states, including Virginia, already allow regulated utilities to build generation *alongside* competitive markets.

**Increase in-state renewable energy generation:** Enables battery storage and renewables to be deployed in-state which will advance Maryland's clean energy goals and future energy needs.

**Improve grid stability and reliability:** Provides predictable and reduces price spikes caused by power shortages and dependence on out-of-state energy generation.

**Ensure energy projects are reviewed and approved for affordability:** Only when resource adequacy or price stability is needed, the Public Service Commission (PSC) may direct regulated utilities to develop renewable energy or battery storage. Energy generation occurs under full PSC oversight including cost review, siting approval, and performance accountability. The Utilities will offset costs to ratepayer bills from energy and capacity market earnings.

The bottom line is that Maryland's 20+ years of energy deregulation have not resulted in the benefits promised. High energy prices are driven by power generation costs.

So, Maryland can solve its energy affordability, reliability, and demand challenges by focusing on energy generation. HB 1561 outlines a proven energy generation approach with added guardrails that can increase power supply, advance clean energy goals, lower prices, and align with customer needs.

I ask that you consider the benefits of HB 1561 as you hear testimony of industry experts, policymakers, and advocates. I request a favorable recommendation for HB 1561 to add another tool to address Maryland's energy crisis.

Cordially,

A handwritten signature in cursive script, appearing to read "Amanda L. Sheen".