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February 24, 2026

Support: HB 723 Electric Companies - Cost Containment Plans - Requirement (Securing Affordable, Valuable Investments in Next Generation Grid Solutions (SAVINGS) Act)

Mr. Chair and Members of the Committee:

Maryland LCV Supports HB 723, the SAVINGS Act, and we thank Delegate Qi for her leadership on this issue. Maryland LCV is working to Power Maryland Forward, supporting **energy affordability** through **deployment of solar and storage, defense against more fossil fuels** and **unchecked utility profits**, while **getting the most out of the electricity grid we have**. HB 723 brings several of these tenets forward.

HB 723 requires utilities to submit a cost containment plan every three years to the Public Service Commission (PSC) for approval. A utility's cost containment plan will include the utility's efforts to reduce the costs of future grid infrastructure improvements, including:

- Advanced transmission technologies like advanced conductors, which carry more electricity than standard ones
- Grid Enhancing Technologies (GETs) that can manage the flow of electricity on the grid to respond to real-time conditions
- Consumer demand response management, such as smart thermostats and managed EV charging
- Virtual power plants
- Distributed generation, like rooftop solar
- Battery storage

The cost containment plan must combine to reduce the utility's peak electric system load by at least 20% by 2030. The initiatives included in the cost containment plan all have roots in [RMI's Electricity Affordability Toolkit](#). Investments in these technologies result in direct savings for ratepayers; a cost containment plan is a sensible transparency and accountability mechanism for utilities. The PSC is authorized through this bill to impose financial penalties on the utilities if they do not meet the reductions in peak load.

A [study](#) for the New York State Energy Research and Development Authority (NYSERDA) and the New York Department of Public Service estimated that New York state could reduce their winter peak demand

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by 8.5 GW, or 21%, by 2040 by implementing many of the grid flexibility initiatives introduced in this bill to be required in the cost containment plans. This could result in \$2.9 billion (in 2024 dollars) in annual savings in New York by 2040, of which \$2.4 billion could be returned to customers.

We urge a favorable report on this bill.