



TESTIMONY FOR HB0054
Task Force to Study Restructuring Maryland's Public Utility Industry

Bill Sponsor: Delegate Allen

Committee: Environment and Transportation

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in strong support of HB0054 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Maryland strongly relies on the PJM, which is the country's largest electric grid operator, managing the electricity transmission system for more than 65 million people in all or part of 13 states—Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia—and the District of Columbia. PJM, through its capacity auctions attempts to ensure the long-term ability of electricity supply to meet demand, and therefore determines the rates that consumers pay for their electricity. Lately, PJM has been making very poor decisions about what energy to purchase, and has not accounted for the demand that we are seeing. As a result, utility prices have skyrocketed.

This bill, if enacted, would seek to evaluate options for energy market participation, including withdrawal from PJM. It would examine alternative utility and governance models used in other states, including Nebraska, Washington, and Oregon; compare electricity rates in those states with electricity rates in Maryland; and estimate the potential costs and benefits to Maryland residents of transitioning to another energy market model.

The report from this study would be due by November 1, 2027. We need to do this. PJM has been failing us for some time, and the burden of that failure has been placed solely on the backs of the residents of this state, many of whom cannot afford the bill.

We strongly support this bill and recommend a **FAVORABLE** report in committee.