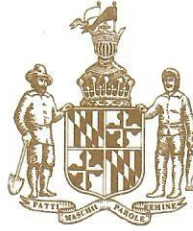


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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**HB 674 – Public Service Commission –
Full Costs and Benefits Analysis of Electricity Generation**
February 17, 2026

Chair Korman, Vice-Chair Guyton and Members of the Committee:

Thank you for the opportunity to present House Bill 674, a bipartisan, pro-rate-payer energy bill.

Why This Bill Is Being Introduced

Maryland is in the middle of a serious and ongoing energy discussion in 2026. Electricity demand across the region continues to rise, driven in part by data center development in neighboring Virginia and by Maryland's electrification policies. At the same time, the retirement of coal and oil generation facilities has reduced in-state dispatchable generation without adequate replacement.

The result is higher prices and growing reliability concerns. During the 2026–2027 capacity auction conducted by PJM Interconnection, prices increased dramatically compared to the previous year. PJM has also warned that our region could face a capacity shortage.

Our constituents feel this every month on their electric bills. They deserve transparency about what different energy sources truly cost, and what benefits they provide.

What the Bill Does

HB 674 requires the Maryland Public Service Commission to conduct a full costs and benefits analysis of electricity generation sources in the State, including:

- Natural gas
- Nuclear
- Offshore wind
- Energy storage

By December 1, 2027, the Commission must report its findings and policy recommendations to the Senate Education, Energy, and the Environment Committee and the House Environment and Transportation Committee.

This study is intended to give the General Assembly objective, data-driven information to guide future energy policy decisions.

Why a “Full” Analysis Matters

Currently, many energy comparisons rely on what is called the Levelized Cost of Electricity, or LCOE. This looks at the average cost to generate electricity from a specific technology over time. While useful, it does not capture the entire picture.

LCOE often does not account for:

- Intermittency – when power generation depends on weather or time of day
- Non-dispatchability – when a source cannot be turned on or off to meet demand
- The cost of backup generation
- The cost of storage
- Grid integration and reliability expenses

For example, intermittent energy sources often need dependable backup power to keep electricity flowing when they are not producing. Those extra costs are not always included in simple comparisons between power sources. One megawatt of intermittent power is not the same as one megawatt of power that is available whenever it is needed. Extra infrastructure and reserve capacity are often required, and those added costs are ultimately passed on to customers.

HB 674 directs the Commission to go beyond basic LCOE and evaluate the full system costs and benefits, including reliability, affordability, and overall impact on ratepayers.

To be clear, this bill is **not** a criticism of renewable energy or any specific technology. It does not mandate changes to our energy mix. It simply asks for a comprehensive, transparent analysis so that future decisions are based on complete information.

Why It Is Important to Pass Now

In 2026, energy policy is one of the most significant issues before this body. Members of this committee bring different perspectives on how Maryland should generate electricity. While we may disagree on the path forward, we share a common responsibility: protecting Maryland ratepayers.

Before we commit to additional long-term policies, mandates, or subsidies, we should understand the full economic impact of each energy source.

HB 674 is a commonsense step. It prioritizes affordability, grid reliability, and transparency. Most importantly, it puts our constituents first.

For these reasons, I respectfully request a favorable report on House Bill 674. Thank you for your time and consideration.