



Testimony on: HB0143 – Electric Company Contracts, Capacity Market Models, and Regional Transmission Organizations – Studies

Committee: Environment and Transportation

Organization: Maryland Legislative Coalition Climate Justice Wing

Submitting: Laurie McGilvray, Co-Chair

Position: Favorable

Hearing Date: February 3, 2026

Dear Chair and Committee Members:

Thank you for allowing our testimony today on HB0143. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of 32 grassroots and professional organizations, urges you to vote favorably on HB0143.

HB0143 requires the Public Service Commission (PSC), in consultation with the Maryland Energy Administration (MEA), to study the benefits and costs of requiring each Maryland electric company to demonstrate that it has contracted for at least 80% of its load-serving capacity over the next five-year period. The bill also requires the PSC and MEA, in consultation with neighboring states, to jointly study the benefits and costs of options for withdrawing from PJM Interconnection, LLC. The PSC and MEA must submit a joint report of their findings and recommendations to the Governor and General Assembly by December 31, 2026.

Maryland is part of the 13-state regional transmission organization (RTO) called PJM. PJM has failed to interconnect renewable energy in a timely fashion, to plan responsibly for the rapidly increasing load forecasts due to data centers, and prevent ratepayer costs from ballooning from high capacity market prices. These PJM failures have resulted in skyrocketing electricity costs for Maryland's ratepayers. According to a [July 23, 2025 article](#) in *Utility Dive*, Maryland saw a major price spike in the PJM capacity market auction in 2024; another 22% increase from a year ago in the summer of 2025; and PJM expects record-high capacity prices for the 12-month period starting in June 2026, which could lead to 1.5% to 5% bill increases for some ratepayers, depending on the state.

Furthermore, PJM has not taken into account our state's energy and climate policies nor has it been responsive to pressure from Maryland's and other PJM states' governors. Given all of PJM's failures, it is time for Maryland, in consultation with neighboring states, to consider alternatives and HB0143 would be an excellent first step. It will provide policymakers with options for: 1) withdrawing from the PJM capacity market and developing a multistate compact to engage in the fixed resource requirement alternative to secure electric capacity through entering contracts with private entities or competitive capacity auctions; and 2) withdrawing from PJM and either establishing an independent regional transmission organization (RTO) or joining a different existing RTO operating in another region or state.

For these reasons we ask for a FAVORABLE report.

- 350MoCo
- Adat Shalom Climate Action
- Cedar Lane Unitarian Universalist Church Environmental Justice Ministry
- Chesapeake Earth Holders
- Chesapeake Physicians for Social Responsibility
- Climate Communications Coalition
- Climate Parents of Prince George's
- Climate Reality Greater Maryland
- ClimateXChange
- Coming Clean Network, Union of Concerned Scientists
- DoTheMostGood Montgomery County
- Echotopia
- Elders Climate Action
- Fix Maryland Rail
- Glen Echo Heights Mobilization
- Greenbelt Climate Action Network
- HoCoClimateAction
- Howard County Indivisible
- Maryland Legislative Coalition
- Maryland Energy Advocates
- Maryland Third Act
- Mizrahi Family Charitable Fund
- Mobilize Frederick
- Montgomery County Faith Alliance for Climate Solutions
- Montgomery Countryside Alliance
- Mountain Maryland Movement
- Nuclear Information & Resource Service
- Progressive Maryland
- Safe & Healthy Playing Fields
- Takoma Park Mobilization Environment Committee
- The Climate Mobilization MoCo Chapter
- Unitarian Universalist Legislative Ministry of Maryland