



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee
FROM: MEA
SUBJECT: HB 40 - Public Utilities - Transmission Lines - Advanced Transmission Technologies
DATE: February 3, 2026

MEA Position: FAVORABLE WITH AMENDMENTS

House Bill 40 seeks to modernize Maryland's approach to transmission line development by integrating Advanced Transmission Technologies (ATTs) into the regulatory process governing Certificates of Public Convenience and Necessity (CPCN).

MEA appreciates the Delegate's efforts to promote reliability, affordability, and to highlight the issues related to transmission modernization to be addressed by the bill, particularly encouraging the deployment of alternative transmission technologies. MEA supports the intent of this bill, and recommends targeted amendments to ensure effective implementation:

1. **Definition of Advanced Transmission Technologies (ATTs):** The bill introduces a definition of ATTs in Section 7-207, listing specific technologies such as grid-enhancing technologies (GETs), high performance conductors, and storage used as a transmission asset. MEA recommends:
 - a. Changing "includes" to "including but not limited to" to allow for future technological advancements without requiring further statutory amendments.
2. **Additional Evidence:** The requires the applicant to include evidence of several categories of alternatives related to local, state, or federal transmission planning processes. MEA recommends adjusting the number of requirements to preserve the efficiency of the CNCP process.
 - a. **Alternative Routes:** The bill mandates CPCN applicants to include an analysis of transmission alternative routes. However, Maryland regulations (Md. Code Regs. 20.79.04.03) already require a description of alternative routes. To avoid redundancy, MEA suggests striking (iv)(1)(B) ALTERNATIVE ROUTINGS from the bill.
 - b. **Non-transmission Alternatives:** MEA also suggests changing the intent and applicability of provisions (D), (G), and (I) regarding energy efficiency and demand response, as well as distribution-level GETs and review of an integrated electric transmission-distribution system to address the need for the transmission line. While MEA recognizes the need to drive more holistic electric system planning that leverages transmission- and distribution-level resources, these considerations may be more effectively developed through the planning requirements proposed at 7-207.6 rather than

through permitting processes, to balance the need for efficient approval of necessary energy infrastructure.

3. **Considerations for Cost-Effectiveness:** MEA supports incorporating ATTs into the State's electrical grid and within transmission planning, but recommends:
 - a. Including cost-effectiveness considerations to avoid potentially overburdening ratepayers with expenses for alternatives that meet the need but at a significantly higher cost. This approach aligns with the Federal Energy Regulatory Commission (FERC's) intent in Order No. 1920 to promote ATTs as potentially faster, cheaper, and more efficient solutions to congestion and reliability needs compared to conventional wires-based projects.
4. **Congestion Analysis Requirements:** The bill requires utilities to report on congestion levels and the feasibility of ATTs. To ensure efficiency, MEA recommends:
 - a. Establishing a threshold for congestion levels, so that analyses target heavily congested lines rather than all transmission lines. The U.S. Department of Energy (DOE) 2023 National Transmission Needs Study (NTNS) and subsequent updates could serve as a reference for identifying significant congestion areas.

MEA urges the committee to adopt the proposed amendments and to issue a **favorable report as amended**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy manager, at megan.outten@maryland.gov or 443.842.1780.