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## PUBLIC SERVICE COMMISSION

Chair Marc Korman  
Environment & Transportation Committee  
250 Taylor Office Building  
Annapolis, MD 21401

### **RE: SB 270 – Favorable with Amendments – Public Service Commission - Full Costs and Benefits Analysis of Sources of Electricity Generation**

Dear Chair Korman and Committee Members:

The Public Service Commission (the Commission) provides the following comments on Senate Bill 270 (SB 270) for your consideration. The Commission requests a favorable report, with consideration of the amendment detailed below.

The proposed legislation requires the Commission to conduct a full costs and benefits analysis of electric generation sources in the State and utilizes a certain type of assessment called a Levelized Full System Cost of Electricity model to analyze certain scenarios. The Commission is required to report its findings by December 1, 2027, which is to include recommended policy changes to support the development of the energy sources with the lowest costs and greatest benefits to ratepayers in the State. The Commission will require consultants to conduct the study, as the Commission does not currently have the required software tools, databases, and training in this type of analysis. The Commission's Technical Staff would work with the consultants to accomplish the required assessment and analysis.

The study required in SB 270 would be beneficial to help inform State policy makers as strategies are developed to attract additional sources of generation to Maryland to help lower costs and meet state climate goals. The Commission believes an amendment needs to be made to the proposed legislation to allow the Commission the discretion to also use additional data modeling mechanisms as appropriate. This would allow other mechanisms in addition to the Levelized Full System Cost of Electricity to be considered to provide a full scope of analysis.

The Commission appreciate the opportunity to provide testimony on SB 270 and requests a favorable report with consideration of the amendment detailed above. Please contact the Commission's Director of Legislative Affairs, Niki Wiggins, if you have any questions.

Sincerely,



Kumar P. Barve  
Chair, Maryland Public Service Commission

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