

HB0054_Task_Force_to_Study_Restructuring_Marylands

Uploaded by: Cecilia Plante

Position: FAV



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.

HB 54 - Task Force - Restructuring Maryland's Elec

Uploaded by: Christa McGee

Position: FAV



House Bill 54 - Task Force to Study Restructuring Maryland's Electric Utility Industry

Position: Support

Maryland REALTORS® supports House Bill 54, which would create a task force to evaluate whether Maryland should change how electric service is structured and governed. The task force would study alternative utility models, including publicly owned utilities, cooperatives, and public utility districts, and assess whether those models could improve affordability for Maryland ratepayers. Additionally, the task force would examine infrastructure investment needs, the legal and cost implications of moving assets to public ownership, including potential use of eminent domain, and whether Maryland should change its participation in regional energy markets, including PJM.

Maryland REALTORS® applauds efforts to examine alternatives to the current system that could lead to a reduction in electricity rates. Many residents, both homeowners and renters alike, are so cost burdened by household expenses that they are considering leaving the State of Maryland; therefore, it is important that energy policy decisions are guided by real world affordability and do not further strain household budgets through higher utility costs. The task force's report, due in late 2027, would provide a solid factual basis to guide future decisions that can affect electric rates and housing affordability.

For these reasons, Maryland REALTORS® respectfully requests a favorable report.

**For more information contact lisa.may@mdrealtor.org
or christa.mcgee@mdrealtor.org**

HB0054_Study Restructuring MD's Electric Utility I

Uploaded by: Dave Arndt

Position: FAV



Testimony on: HB0054 – Task Force to Study Restructuring Maryland's Electric Utility Industry

Committee: Environment and Transportation

Organization: Maryland Legislative Coalition Climate Justice Wing

Submitting: Dave Arndt, Co-Chair

Position: Favorable

Hearing Date: February 3, 2026

Dear Chair and Committee Members:

Thank you for allowing our testimony today on HB0054. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of 32 grassroots and professional organizations, urges you to vote favorably on HB0054. We offer suggested changes to the membership of the task force later in this testimony.

HB0054 would establish a Task Force to Study Restructuring Maryland’s Electric Utility Industry, with staff for the task force provided by the Public Service Commission (PSC). While Maryland technically already has a “restructured” electric utility industry (i.e., transmission/distribution is separated from generation), the study will focus on options for changing Maryland’s current electric utility industry, to include publicly owned utilities, cooperatives, and public utility districts, and to evaluate options for improving or reducing electricity costs for Maryland ratepayers. The task force must report its findings and recommendations to the General Assembly by November 1, 2027.

In 1999, Maryland enacted the Electric Customer Choice and Competition Act, which facilitated the restructuring of the state’s electric utility industry. The law deregulated the generation, supply, and pricing of electricity. The State’s vertically integrated electric companies divested of their generation assets, allowing generation resources to be competitive, thereby relying on the competitive market to provide new generation resources and to meet load requirements.

There are many questions about the “success” of the competitive market in Maryland. In 2024, testimony on SB0001- Electricity and Gas - Retail Supply - Regulation and Consumer Protection, highlighted the failure of energy choice in Maryland to lower electricity rates, especially for minority and low-income consumers, and brought to light the wide-spread concern that companies were engaging in predatory marketing and pricing practices. Furthermore, in 2025 testimony on HB0960 – Ratepayer Freedom Act – highlighted the degree to which Maryland’s monopoly investor-owned utilities were making ratepayers pick up the tab for considerable costs for promotional advertising, entertainment and gifts, private aircraft, and investor relations expenses.

We would oppose any effort to return Maryland to a vertically integrated utility model, where our utilities could once again own the means of generation. Rather, it is time for Maryland to consider alternative approaches to the energy supply and governance of its electric utilities, and

HB0054 is a first step. Other states have adopted alternative utility and governance models, including Nebraska, Washington, and Oregon. We should learn from these examples, including comparing the level of infrastructure investments and improvements made by publicly owned electric companies with those made by private electric companies; understanding the legal implications of transferring electric company assets to public ownership; and estimating the costs and benefits to consumers. In addition, Maryland ratepayers have been at the mercy of decisions made by its regional grid operator, PJM. The bill rightly requires the task force to evaluate options for energy market participation, including withdrawal from PJM Interconnection, LLC.

While we support the intent of the bill, we recommend changes to the composition of the task force to ensure a better balance of perspectives. We are concerned that there is over-representation by vested interests. Specifically, there are too many utilities on the task force. For example, BGE, Delmarva Power and Light, and PEPCO all have the same parent company, Exelon, and have consistently voted in lock step in other forums. We recommend including only one member from the Exelon utilities. Also, we recommend limiting the membership of municipal utilities to two members. Finally, Maryland's utilities are members of PJM. There should not be an additional task force member from PJM, especially given the task force's charge to look at our PJM membership. Rather the task force can consult with PJM on technical matters during its deliberations. These changes would provide a better balance to the task force.

The current restructured utility model in Maryland is broken. Returning to the vertically integrated utility model of the past in which utilities own the means of generation is absolutely not the answer. This bill will give policymakers the detailed analyses they need to consider a better future for Maryland electric utilities.

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

CCAN AF Testimony for HB 54.pdf

Uploaded by: Jamie DeMarco

Position: FAV



**Favorable testimony for
Task Force to Study Restructuring Maryland's Electric Utility Industry
HB54**

**House Environment and Transportation Committee
2/3/2026**

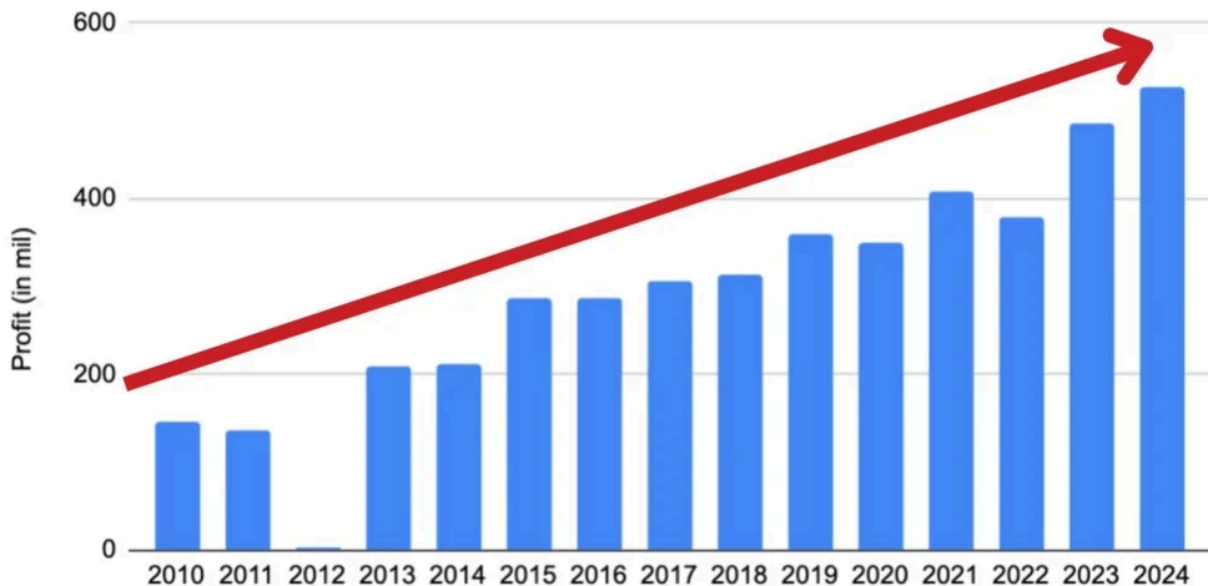
**Jamie DeMarco
Chesapeake Climate Action Network Action Fund
Lobbyist**

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable report on HB54. Record high energy prices make clear that the current energy system is failing Marylanders. Utility companies are finding ways to increase the price of the distribution system, and PJM is driving up energy supply costs by suppressing clean energy. While there is much debate about how the current system could be improved, recent years have shown that the status quo is leading to unacceptably high energy prices.

HB54 will convene relevant stakeholders to holistically study the energy systems we have in place and alternative systems such as public power. This analysis will give valuable insights into how Maryland should move forward in solving the energy cost crisis we are currently experiencing.

CCAN Action Fund also supports this legislation because we think it will put to bed the terrible idea of allowing utilities to own generation. Exelon utilities and their shareholders have caused the energy distribution costs in Maryland to rise consistently over time. To maximize their profits they are driven to make every aspect of the energy distribution system as costly as possible. Since 2010 in the BGE service territory, gas delivery rates have increased [246%](#), electric delivery rates have increased [92%](#), and BGE profits have tripled from \$147 million to [\\$527](#) million in 2024. The only way their profits can increase is if our energy bills increase, and that's exactly what we have seen:

BGE Annual Profits 2010-2024



Any thorough analysis of the energy landscape will identify Exelon Utilities as part of the problem, not part of the solution.

Energy makes our modern lives possible, but its rising costs are forcing families to make hard choices about whether to heat their homes or put food on the table. A study of our energy systems and what better options are available to us is well warranted and we urge the passage of HB54.

CONTACT
Jamie DeMarco, Lobbyist
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HB54_AARMD_FAVORABLE.pdf

Uploaded by: Laurel Peltier

Position: FAV



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HB 54 - Task Force to Study Restructuring Maryland's Electric Utility Industry
Environment and Transportation Committee
February 3, 2026
FAVORABLE

Good afternoon, Chair Korman, Vice Chair Guyton, and members of the Environment and Transportation Committee. My name is Laurel Peltier, and I am a proud member of AARP Maryland and a resident of Baltimore County. AARP Maryland represents more than 850,000 members across the state, making it one of the largest membership-based organizations advocating for older Marylanders. We appreciate the opportunity to testify in strong support of HB 54. We thank Delegate Allen for introducing this important legislation on behalf of Maryland ratepayers.

AARP is a nonpartisan, nonprofit organization dedicated to empowering people to live their best lives as they age. Our work focuses on issues that matter most to older adults and their families, including affordable utilities, financial security, health care access, and protection from financial exploitation.

Older Marylanders, like all utility customers, deserve fair and just rates, free from hidden or unnecessary expenses.

The issues that the HB 54 Task Force wants to address are as follows:

- Maryland is not seeing benefits from being in the PJM Regional Transmission Organization (RTO). Since 2020, the primary issue has been that higher payments to power generators have NOT incentivized new power plant construction.
- On several occasions, the PJM organization has supported proceedings where Maryland rate payers fund projects that do not benefit Maryland consumers and businesses. One example is paying for a transmission line to serve Virginia data centers in Virginia.
- In this PJM RTO structure, there has not been a planning backstop or central planning role for the last 5-6 years of unprecedented data center load requirements and the needed transmission growth. The risk has been borne squarely by PJM ratepayers.

HB 54 offers an organized statewide approach to studying various utility models and their pros and cons, and to developing a list of the many changes that would need to happen to restructure Maryland's Electric Utility Industry.

AARP Maryland offers one suggestion: The Task Force could include outside energy consultants and experts. Many lessons were learned after Maryland implemented the original restructuring

law, the 1999 Electric Choice Act, with the first being that restructuring is highly technical and complicated.

These are unusual times for Maryland's older adults, as many find the current electricity and gas rates truly unaffordable. The health and safety of our seniors have been negatively impacted as they scramble to pay for utilities to avoid terminations and keep the power on. AARP Maryland recommends that Maryland focus on finding long-term solutions so that residents' home energy will become affordable soon.

For these reasons, we respectfully urge the committee to support HB 54.

If you have any questions, please contact Sara Westrick, AARP Maryland Advocacy Director at swestrick@aarp.org or by calling 410-310-0374.

Testimony in support of HB0054 - Task Force to Stu

Uploaded by: Richard KAP Kaplowitz

Position: FAV

HB0054_RichardKaplowitz_FAV

02/03/2026

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON HB#0054 – FAVORABLE

Task Force to Study Restructuring Maryland's Electric Utility Industry

TO: Chair Korman, Vice Chair Guyton and members of the Environment and Transportation Committee

FROM: Richard Keith Kaplowitz

My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of HB#0054, Task Force to Study Restructuring Maryland's Electric Utility Industry

Maryland urgently needs to control the rapid and destabilizing increase in utility bills within Maryland. As documented by Earthjustice: ¹

Maryland residents are facing an affordability crisis. Utility bills are rising as the cost of living increases, straining already stretched households and businesses. The gas rates of BGE and Columbia Gas have increased significantly since 2010, with BGE's rates tripling during that period and Columbia Gas rates increasing more than three times the inflation rate. Electric rates for Maryland's Exelon utilities have also increased above inflation rates. Unfortunately, this problem isn't going to get better soon. According to BGE, Marylanders should expect to see another combined increase for gas and electric service of over 12% by June 2025 — this will look like an additional \$26 on a \$210 residential bill.

This bill is an important step Maryland can take in this affordability crisis. It accomplishes this by establishing the Task Force to Study Restructuring Maryland's Electric Utility Industry to study and make recommendations on restructuring the State's electric utility industry; and requiring the Task Force to report its findings and recommendations to the General Assembly on or before November 1, 2027.

The General Assembly can use the data to create legislation to address the problems.

I respectfully urge this committee to return a favorable report and pass HB0054.

¹ <https://earthjustice.org/experts/susan-stevens-miller/its-time-for-the-maryland-legislature-to-seize-the-moment-lower-energy-bills>

Earthjustice HB 54 Support Comments .pdf

Uploaded by: Susan Miller

Position: FAV



January 30, 2026

Chair Delegate Marc Korman
Members of the House Environment and Transportation Committee

Re: Earthjustice **support** of HB 54:
Task Force to Study Restructuring Maryland's Electric Utility Industry

Earthjustice¹ supports the passage of HB 54, Task Force to Study Restructuring Maryland's Electric Utility Industry. HB 54 would create a task force to study a variety of energy market structural issues with the intent of determining how to best address the affordability crisis in Maryland. HB 54 is an important first step toward lowering utility rates and ensuring that the Maryland energy market functions appropriately.

The Electric Customer Choice and Competition Act of 1999 (“Choice Act”) facilitated the restructuring of the electric utility industry in Maryland. As part of restructuring, the State’s vertically integrated electric companies were required to either divest their generation assets or “spin off” those assets to an affiliate or subsidiary. With restructuring, generation resources are considered competitive, and the competitive market is relied upon to provide new generation resources and to determine the price of generation.

Subsequent to the passage of the Choice Act, the General Assembly also enacted other significant positive changes to Maryland’s energy market such as the Renewable Portfolio Standard (“RPS”) and the EmPOWER energy efficiency program. The RPS requires that a specified portion of retail electricity sold by electricity suppliers in the State come from “renewable” sources. Consequently, the RPS incentivizes renewable energy growth and market stability. The Empower Maryland program’s primary goal is to incentivize energy efficiency and conservation efforts among residents and businesses.

However, a vital issue has been neglected over the years since electric restructuring occurred. The manner in which the utility itself should be regulated and how the utility rate structure should be changed in this new energy environment has never been examined. As such, the current utility rate structure is akin to forcing a square peg into a round hole.

For example, the current utility rate structure incentivizes investor-owned utilities to construct infrastructure. Constructing infrastructure is how these utilities make their profits. The utility has no incentive to consider other options (such as non-wires alternatives) because choosing an option other than construction lessens the utilities profits. This incentive disconnect

¹ Earthjustice is a non-profit public interest environmental law organization that represents other non-profits free of charge. Earthjustice uses the power of law and the strength of partnerships to advance clean energy, combat climate change, protect people’s health and preserve magnificent places and wildlife.

will always be a problem as long as utilities have a fiduciary duty to shareholders and the consumer comes second.

Rather than continue this narrow incentive that often results in unwanted and expensive projects, the Task Force should explore the development of utility incentives that encourage Maryland's goal of affordability as well as other policy goals. For example, rather than be financially rewarded for simply building more, the Commission should set performance standards (for things like non-wires alternatives) and the utility would be financially rewarded for exceeding those standards.

The Task Force Should Explore the Conversion of Utilities to Public Utility Districts

Public Utility Districts (PUDs) are nonprofit, community-owned and community-governed utilities. In most states PUDs are municipal corporations. Accountability to the citizen-voters of a PUD rests with the elected PUD commissioners, providing far more direct and local accountability between the customers and the operators of an electric utility than exists with most private and investor-owned utilities. A PUD combines the public interest benefit of a nonprofit operation with low-cost financing methods similarly available to a municipality or city. A PUD is operated for the benefit of the customer/voters while investor-owned utilities are operated for the benefit of shareholders.

There are several successful public power conversions (converting from investor-owned utility to PUD). Examples include Emerald PUD, Oregon Trail Electric Cooperative, Kauai Island Utility Cooperative, the City of Hermiston, Oregon and the Columbia River PUD in Oregon. To highlight one success story, Kauai had the highest rates of the major islands in Hawaii when the PUD was formed, and it now has the lowest rates of any of the islands. The explanation is simple. No profit, no federal income taxes, and a rapid deployment of renewable resources displacing more expensive oil (the most common fuel used on the island).

The General Assembly Should Reject Exelon's Suggestion that Utilities Be Permitted to Construct Generation in Favor of Exploring a Myriad of Options

Maryland residents are facing an energy affordability crisis. Utility bills are rising as the cost of living increases, further straining already stretched households and businesses. Exelon has proposed reversing the basic premise of electric restructuring and suggests that utilities should once again own generation and charge ratepayers the full cost of the generation's construction and operation. The General Assembly should reject this seemingly simple solution to a complex problem for a variety of reasons.

First, utilities can already construct generation. Section 7-510 (c)(6) of the Choice Act provides that the Public Service Commission may require or allow utilities to own and operate generating facilities. No Maryland utility, including the Exelon owned utilities, has ever petitioned the Commission to build generation under this provision. The Maryland utilities should be required to use the statutory avenues available to them.

Second, the Exelon utilities have demonstrated little desire or incentive to control the costs they pass on to ratepayers. Since Exelon's acquisition of BGE in 2012, BGE's base gas distribution rates have more than tripled, rising from 30 cents/therm in 2012 to 94 cents/therm in 2026. Its base electric distribution rates have almost doubled, rising by 92 percent, from 2.5 cents/kWh in 2012 to 4.9 cents/kWh in 2026. Delmarva Power has had eight rate increases since the Exelon acquisition, with rates growing by 65 percent, from an annual average of 4.3 cents/kWh before the acquisition in 2015 to 7.1 cents/kWh in 2025. Pepco has also had eight rate increases since the acquisition and is now seeking approval for another overall rate increase of 23 percent. Pepco's latest request, if approved, would make nine rate increases since Exelon's 2016 acquisition of Pepco, with annual average rates growing by 132 percent from 3.3 cents/kWh in 2015 to 7.6 cents/kWh in 2026. Electric rates for Maryland's Exelon utilities have increased well above the inflation rate.²

Third, Exelon can participate in the generation market by forming an affiliate. Exelon previously was in the generation business. But in 2022, Exelon spun off its generation affiliate (Constellation Energy). At that time, Exelon became a 100 percent regulated transmission and distribution utility business. Now, only four years later, Exelon has apparently changed its mind, but only if it gets a leg-up when compared to other generation companies. The Exelon utilities only want to provide generation without the risk that other generation companies will have to face. For competitive generators, investors take the risk of cost overruns and obtaining customers. In contrast, ratepayers will be forced to pay for cost overruns and represent a captive customer base. Moreover, the utility would be guaranteed a profit for its generation while competitive companies obviously would not. This imbalance of risks will end generation competition in Maryland. Competitive companies will not be able to compete with utility generation.

Remaking our utility system is a matter of life and death for Maryland residents. It is clear that the current utility regulation structure has only had the effect of increasing utility profits. At this critical time, Maryland must explore new, innovative solutions and design a responsible, economically sound, and affordable utility system that can serve as the backbone of Maryland's economic future.

Finally, Earthjustice thanks Delegate Allen for his leadership on this important issue.

Earthjustice urges a favorable report for HB 54.

Thank you in advance for your support. Should you have any questions, please contact me at smiller@earthjustice.org.

Continued for signature:

² Id. at 10.

Respectfully submitted,

Susan Stevens Miller

Susan Stevens Miller
Senior Attorney
Earthjustice

House Hill 54_ Support Speech_BPP_Tess Niehoff.pdf

Uploaded by: Tessa Niehoff

Position: FAV

January 30, 2026

Task Force to Study Restructuring Maryland's Electric Utility Industry (HB54)

Position: FAVORABLE

Dear Chairman Korman and Members of the Environment and Transportation Committee—

My name is Tess Niehoff, and I write today as a Baltimore resident, neighbor, and a member of the Baltimore Public Power Campaign in strong support of House Bill 54.

How many times have you turned on a light switch today? How many members of the committee today woke up and turned on a coffee pot, or toasted a bagel, or grabbed something out of the refrigerator? Electricity powered the pump bringing water to your showerhead, it powered your furnace to battle these crisp winter mornings. Electricity helped charge electric vehicles, it helped run conveyor belts, it allowed machines to run Maryland's economy. In hospitals throughout the city and state, electricity allowed ventilators, dialysis machines, and surgical robots to play critical roles in letting doctors save lives.

Does this not meet the metric of a true public good? By this description, would anyone on this committee argue that electricity is not a human right? When the day comes to decide whether a rolling brown out will impact a hospital or a data center, who do you want to make this decision, your neighbors? Or Exelon shareholders?

You may think this example is hyperbole. But in my past life working as a Foreign Service Officer for the Office of Critical Infrastructure for USAID in Kyiv, Ukraine, I had to see public utilities make unthinkable decisions many times over. And while I hope that the United States will never know the destruction of an unjust war, it is not far fetched to think that our current energy infrastructure will have to face the warp speed challenges of the next industrial revolution, what feels like the inevitable rise of artificial intelligence, and cyber and intelligence attacks on critical energy infrastructure.

I am not sure that anyone would argue that BGE or their parent company Exelon is well equipped to deal with this fast-coming change, all while accountable to the whims of Wall Street. Across Maryland, families are struggling with rising electricity bills that far outpace wages. Too many households spend an unsustainable share of their income just to keep the lights on. This isn't just an affordability issue; it's an issue of accountability and fairness.

House Bill 54 is an important first step toward addressing these challenges. By creating a task force to study affordability drivers and the impacts of different utility ownership models on Maryland ratepayers. This bill allows us to take an honest, transparent look at whether the current investor-owned utility model is truly serving the public interest —

or whether alternatives like public or cooperative ownership could deliver more affordable, reliable, and accountable service.

This task force must not predetermine outcomes. It should simply ask the question: *Is there a better way?*

In seeking to answer this question, the task force should take a close look at the 2,000 public utilities serving communities across the country. From Nebraska to Florida, public utilities prioritize the needs of their customers, not faraway shareholders. Public utilities [consistently provide](#) cheaper, more reliable, and cleaner energy than privately owned utilities, in addition to investing more in local communities and providing residents with more control over decisions about access to this human right.

At a time of aging infrastructure, climate challenges, and increasing energy costs, Maryland cannot afford to ignore innovative solutions. Studying public power models is not radical; it's responsible government.

We urge you to support HB54 and give Marylanders the opportunity to explore an energy system that puts people first.

Thank you for your time and consideration.

Sincerely,

Tess Niehoff

Baltimore Public Power Campaign

HB 54 Testimony.pdf

Uploaded by: Adam Solomon

Position: FWA



January 30, 2026

RE: House Bill (HB) 54: Task Force to Study Restructuring Maryland's Electric Utility Industry – Favorable with Amendments

Chair Korman, Vice Chair Guyton, and members of the House Environment and Transportation Committee:

Introduction: Thank you for the opportunity to submit written testimony in support of HB 54. Chaberton Energy is a Maryland-based distributed energy developer focused on community solar and storage. A public benefit corporation, Chaberton is one of the largest developers in the Maryland Community Solar Energy Systems (“CSEGS”) Program. Chaberton has over 200 Megawatts of community solar, commercial solar, and storage in active development here in Maryland. With a total development pipeline of more than one Gigawatt and over 100 Megawatts of projects completed, Chaberton is one of the fastest growing energy companies in the nation, ranked 53rd on the 2025 and 34th on the 2024 Inc. 5000 lists.

Background: HB 54 would create a task force to study Maryland’s electric utility industry and its impact on ratepayers. Comprised of elected officials, electric utilities, relevant government agencies, and stakeholders, the task force would evaluate models used in other states and markets. It would further identify options Maryland could employ to enhance its electric grid and reduce electricity costs for ratepayers. Its final recommendations would be issued in a report to the General Assembly by November 1, 2027.

Comments: As we face a growing, nationwide energy crisis, Maryland must consider every option to address rising energy costs to its ratepayers. Chaberton supports the creation of the task force under HB 54 to do just that. As electricity demand grows and interconnection delays persist, it is critical to evaluate whether existing utility models are adequately serving ratepayers and supporting the state’s clean energy and reliability goals. Solar is the cheapest, fastest way to generate and deploy energy to Maryland’s grid. Distributed generation and storage are crucial to minimizing our reliance on more expensive imported energy. The experience of a Maryland-based company developing these very projects will provide valuable insight to this task force and enhance its ability to deliver on its statutorily ascribed mission.

Conclusion: For the reasons stated above, Chaberton respectfully urges a favorable report on HB 54 with an amendment to include Maryland-based distributed energy developers on its task force. Thank you for your time and consideration. Please do not hesitate to reach out should the Committee have any questions.

HB0054 David Lapp FWA

Uploaded by: David Lapp

Position: FWA

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CHIEF OPERATING OFFICER

BILL NO.: House Bill 0054 – Task Force to Study Restructuring
Maryland's Electric Utility Industry

COMMITTEE: Environment and Transportation

HEARING DATE: February 3, 2026

SPONSOR: Delegate Allen

POSITION: Favorable with amendments

The Office of People’s Counsel (“OPC”) respectfully offers the following comments in support of House Bill 0054 with the amendments described below. HB 0054 establishes a task force, comprised of governmental, utility, and nongovernmental members to evaluate various alternative approaches and reforms to Maryland’s regulation of public service companies to reduce rates and make public service companies more responsive to the needs of ratepayers.

Specifically, the task force is comprised of 28 members including representatives of six State agencies and each chamber of the legislature; one representative of each of the State’s four investor-owned electric companies, two electric cooperatives, and five municipal electric utilities; two representatives of private generation companies; one representative of Maryland’s regional transmission system operator, PJM Interconnection, LLC; three additional representatives of ratepayer interests; one additional member of the public with expertise in Maryland’s electric utility industry; and two representatives of nonprofit organizations that focus on the electric utility industry. The bill directs the Chair of the Public Service Commission (“PSC”) to designate the chair of the task force, and the PSC to provide staff for the task force.

HB 0054 charges the task force with conducting a broad examination of different approaches to reform the electric utility industry. This includes “options for restructuring,” such as public ownership and municipalization, and other strategies for reducing utility bills and improving the responsiveness of utilities to ratepayer needs. Additionally, the task force is required to examine alternative utility governance models in other states—including Nebraska, Washington, and Oregon¹—and compare utility rates in those states to rates in Maryland. Ultimately, the task force is required to estimate the costs and benefits to Maryland residents resulting from the options studied and report recommendations to the General Assembly by November 1, 2027.

OPC agrees that the current affordability crisis necessitates a hard look at whether Maryland’s current regulatory model best serves the public interest or whether customers and the State would be better served by an alternative model. Currently, most Maryland ratepayers are served by investor-owned utilities—private companies State-granted monopolies to perform important public functions that must operate “in the interest of the public”² but that also have fiduciary obligations to earn profits for their investors. In competitive markets, the risk of losing customers incentivizes such private companies to balance the interests of their investors with those of their customers, who have the option to leave for competitors. Because utilities are insulated from competition by their monopoly status, this discipline is absent and “extensive government control” over prices, services, and operations “takes the place of competition and furnishes the regulation which competition cannot give.”³

Additionally, most Maryland ratepayers are served by distribution utilities that are owned by large multistate or multinational holding companies that own multiple separate distribution utilities across different states. Baltimore Gas and Electric (“BGE”), Potomac Electric Power Company (“Pepco”), and Delmarva Power and Light are all owned by Illinois-based Exelon; Potomac Edison is owned by Ohio-based FirstEnergy Corporation; Washington Gas Light Company is owned by the Canadian company AltaGas; and Columbia Gas of Maryland is owned by Indiana-based NiSource, Inc. This kind of industry consolidation can result in corporate efficiencies that benefit customers, but the resulting consolidation of market power can also harm customers—for example, if the PSC is less effectively able to regulate local distribution companies, if the holding company strategy drives utility business decisions, or if the consolidation leads to the exercise of economic and political power contrary to the interests of customers.

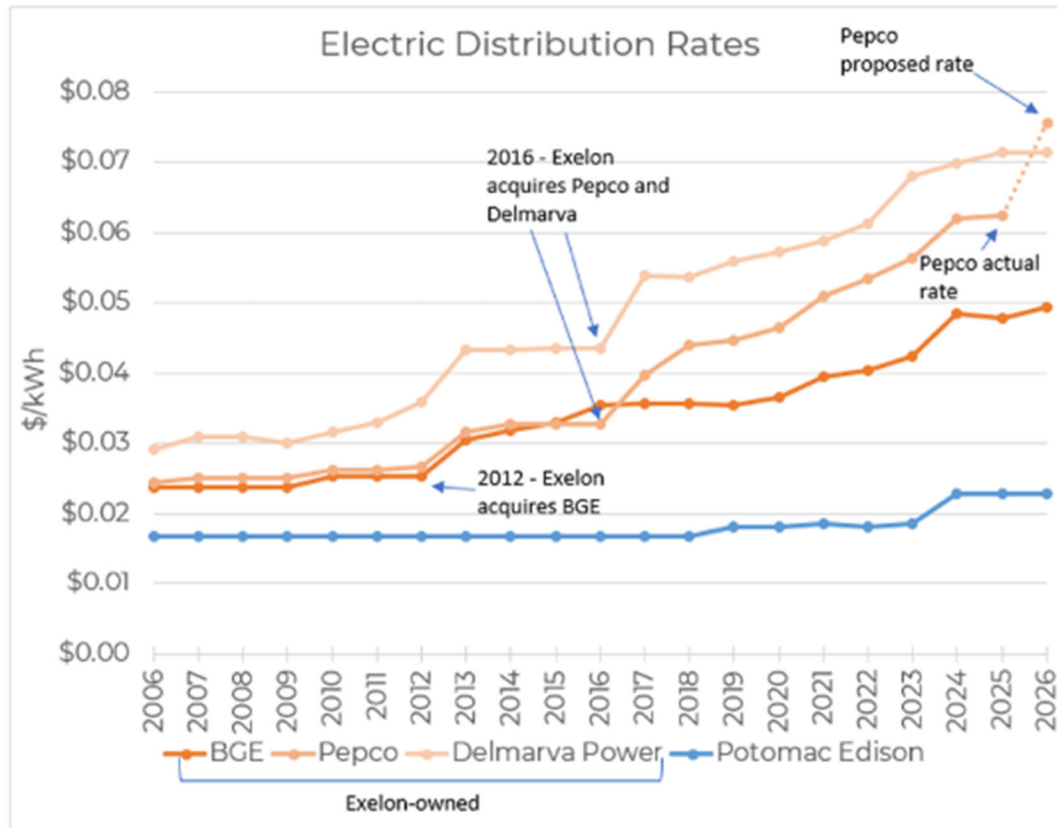
¹ Notably, Nebraska is the only state that relies entirely on a public-ownership model for utility services. Washington and Oregon have each recently enacted significant legislative reforms aimed to improve utility transparency and mitigate rising utility bills.

² Public Utilities Article § 2-113(a) requires the Commission to “supervise and regulate the public service companies subject to the jurisdiction of the Commission to ... ensure their operation in the interest of the public.”

³ *Delmarva Power & Light Co. v. Pub. Serv. Comm'n of Md.*, 370 Md. 1, 6 (2002).

For example, since its acquisition of Maryland’s utilities—BGE in 2012 and PHI, the parent of Pepco and DPL in 2016—Exelon has drastically increased capital spending at each of its Maryland utilities. This aggressive capital spending has corresponded to significant distribution rate increases—shown in the figure below—and driven significant growth in profits. BGE’s profits have steadily grown to \$527 million in 2024 compared to pre-acquisition profits of less than \$150 million.⁴

Figure 2: Electric Distribution Rates



Source: *Utility Rates and Basics*, Office of People’s Counsel, <https://opc.maryland.gov/Consumer-Learning/Utility-Rates-and-Basics>.

While HB 0054 does not offer an immediate fix to continuously increasing distribution rates and high customer bills, it takes an important step by directing a robust exploration of alternative pathways to the provision of essential services—for example, through utilities that are owned by the public rather than investors. OPC supports such an exploration and offers the following friendly amendments to better focus the task force’s

⁴ Bria Overs, [Your BGE bill has definitely gone up. Here’s why](#), Baltimore Banner (Jan. 16, 2026). Exelon’s other utilities also have seen growth. Exelon’s total 2024 profits exceeded \$2.4 billion. *Id.* Exelon’s federal regulatory filings explain that PHI and BGE profits reflect “[f]avorable impacts of rate increases.” Exelon Corp., [Annual Report \(Form 10-K\)](#) (Feb. 12, 2025) at 42.

analysis on the bill’s intent to reduce rates and make public service companies more responsive to the needs of ratepayers.

First, as written, HB 0054 only examines the electric utility industry. The affordability crisis, however, is not limited to electric bills. As OPC’s gas spending reports explain, the accelerated pace of investment Maryland’s gas utilities are making in long-lived gas infrastructure is rapidly driving up customer bills.⁵ **OPC recommends broadening the bill’s scope to encompass a similar evaluation of the gas utility industry and gas rates.**

Second, the composition of the task force, as written, allows for the potential of undue utility influence. The views and perspectives of the utility industry are essential to ensure robust analysis, but given the potential impact of any recommendation on, particularly, investor-owned utility companies with substantial financial interests at stake, **OPC recommends amending the bill to limit the potential for such influence. This could be accomplished by reducing the number of utility representatives on the task force or reserving voting privileges to representatives of state governmental entities and establishing an alternative pathway for participation by non-governmental and utility entities.**

Third, as drafted, the task force’s main charge—“to study options for restructuring Maryland’s electric utility industry”—may be overly broad and could be interpreted to include evaluating the further entrenchment of for-profit investor-owned utilities, such as returning to a vertically integrated regulatory model, that would be counter to the bill’s apparent intent. **OPC recommends amending the bill to limit the task force’s inquiry specifically to public, cooperative, or municipal ownership models.**

OPC appreciates the sponsor’s commitment to exploring alternative models to better align the State’s regulation of its public service companies with the public interest and is available to work with the sponsor and the committee on language effectuating the recommendations above.

Recommendation: OPC requests a favorable Committee report on HB 0054 with the amendments described above.

⁵ See [Gas Spending and Analysis](#), Office of People’s Counsel. For more on gas-specific topics, see the [Future of Gas](#) page of OPC’s website.

FirstEnergy UNFAV - ENT - HB54.pdf

Uploaded by: Timothy Troxell

Position: UNF

**OPPOSE – House Bill 0054
HB0054 – Task Force to Study Restructuring Maryland's Electric Utility Industry**

**Environment and Transportation Committee
Tuesday, February 3, 2026**

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 293,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Maryland, Ohio, Pennsylvania, New Jersey, New York, and West Virginia.

Unfavorable

Potomac Edison / FirstEnergy respectfully requests an Unfavorable report on HB-54 – Task Force to Study Restructuring Maryland's Electric Utility Industry, as drafted. While we appreciate being included on the proposed 28-member task force and support efforts to improve affordability and responsiveness for ratepayers, the scope and framing of this study raise several significant concerns and could be extremely detrimental to Maryland's investor-owned electric utilities, our customers, and the communities we serve.

HB-54 directs the task force to compare Maryland's utility structure and rates with states such as Nebraska, Washington, and Oregon – states that operate largely under public power models, in environments with fundamental differences that impact utility rates but have nothing to do with utility ownership structure. This approach presumes comparability where none meaningfully exists and risks suggesting an intent to replace Maryland's investor-owned utility (IOU) model entirely.

Comparing Maryland's retail electric rate structure against those referenced in the bill is not an apples-to-apples comparison, and risks coming to unproductive and potentially harmful conclusions. Nebraska, Washington, and Oregon benefit from substantially lower-cost generation resources, including large amounts of hydroelectricity. While retail rates in these states are indeed lower, these differences are driven primarily by generation economics and different state energy policy choices - not by whether utilities are publicly or privately owned. Drawing conclusions without acknowledging these structural differences would be misleading.

The bill requires the task force to compare infrastructure investments made by IOUs versus publicly owned utilities. However, investment levels vary widely based on system size, age of existing infrastructure, regulatory requirements, geography, and state policy direction. Drawing conclusions from such comparisons are likely to produce artificially skewed outcomes – likely suggesting IOUs “underinvested” or “overinvested” without any meaningful context. The bill seeks to examine investment in isolation, without considering, for example, the reliability or resiliency of those systems. Results could easily be misinterpreted as evidence that IOUs are mismanaging assets, when in reality differences would naturally arise from differing regulatory obligations and operational needs.

One of the most consequential elements of HB 54 is the directive to study the legal implications of the State or local governments taking “all or part” of an IOU service territory, including via eminent domain. A forced acquisition involving only a part of a system would be extremely disruptive. Partial territorial carveouts would fundamentally alter an IOU’s operational and financial structure, reduce economies of scale, introduce significant system fragmentation, and almost certainly lead to higher costs and reduced reliability for customers. Such actions would also likely involve years of litigation and sizable compensation payments that would ultimately fall on taxpayers or ratepayers.

HB-54 also directs the task force to examine withdrawing from PJM Interconnection or joining or creating another regional transmission organization (RTO) – an idea that poses substantial risks. Exiting PJM would require Maryland to assume transition, market settlement, and transmission cost reallocation charges - costs that could be significant and long-lasting. In addition, PJM’s large regional footprint provides resource diversity, emergency response capabilities, and system planning coordination that cannot easily be replicated. Creating a new RTO would require Maryland to rebuild complex market, governance, and reliability functions from scratch, introducing years of uncertainty and reliability risk. Furthermore, establishing or joining an alternative RTO would be an expensive, multi-year undertaking that would divert attention and resources from Maryland’s ongoing reliability, resiliency, and decarbonization goals.

Potomac Edison / FirstEnergy stands ready to work on constructive policies that truly advance affordability, reliability, and help Maryland achieve its energy goals. However, the framework of this bill does not support those aims and instead risks wasting resources on studies – resources that could be better focused on evaluating productive solutions that can be achieved in the near term to meet the needs of the State’s consumers – instead of exposing the State to significant risk. For these reasons we respectfully request an **Unfavorable report on HB-54**.

HB54_Information_PSC.pdf

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Position: INFO

KUMAR P. BARVE
CHAIR



FREDERICK H. HOOVER, JR.
BONNIE A. SUCHMAN
ODOGWU OBI LINTON
RYAN C. MCLEAN

PUBLIC SERVICE COMMISSION

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

RE: HB 54 - Information - Task Force to Study Restructuring Maryland's Electric Utility Industry

Dear Chair Korman and Committee Members:

The Public Service Commission (the "Commission") appreciates the opportunity to provide this informational testimony for HB 54. HB 54 establishes a Task Force for the purpose of studying and making recommendations on restructuring the State's electric utility industry.

Recommendations are due to the General Assembly by November 1, 2027. The Commission is tasked with serving as the Chair of the Task Force and providing staff for the Task Force.

The Task Force will be required to complete a number of high level, complicated analyses in order to make recommendations. Although the members of the Task Force will bring a wide variety of expertise, the scope and type of analysis needed will require specialized software and highly technical examination. Therefore, the Commission will engage the services of a consultant. Based on similar recent consultant contracts undertaken by the Commission, the fee for the consultant could approach \$1 million.

The Commission would also like to indicate some procedural factors that could have an impact on the goals of the bill so that the Committee may address them if it deems necessary. In the Commission's experience participating in and running numerous task forces and workgroups, it has found that large membership groups—especially those that contain members with a vested financial interest in the outcome—often have difficulties reaching a meaningful consensus on recommendations. Where the bill calls for several members of the task force that represent similar interests—such as multiple Exelon owned utilities, multiple municipal utility companies, and multiple ratepayer advocates—the Committee could consider consolidating some of the membership to streamline the operations of the Task Force. Additionally, the Commission notes that it can invite the participation of those entities included in the bill over which it does not have regulatory authority, such as Constellation and PJM, but it cannot compel their participation in the Task Force.

Please contact Niki Wiggins, Director of Legislative Affairs, at irene.wiggins3@maryland.gov if you have any questions related to this informational testimony.

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MDRS: 1-800-735-2258 (TTY/Voice)

Website: www.psc.state.md.us

Sincerely,

A handwritten signature in blue ink, appearing to read "Kumar", with a stylized flourish underneath.

Kumar P. Barve
Chair, Maryland Public Service Commission

BGE_LOI_ENT_House Bill 54 – HB 0054 - Task Force t

Uploaded by: Dytonia Reed

Position: INFO



Position Statement

Letter of Information

Environment and Transportation

2/3/2026

House Bill 54 – Task Force to Study Restructuring Maryland's Electric Utility Industry

Baltimore Gas and Electric Company (BGE) submits this letter of information regarding ***House Bill 54 — Task Force to Study Restructuring Maryland's Electric Utility Industry***. The bill would establish a task force to study alternative utility ownership models, including municipalization, and require recommendations to the General Assembly by November 1, 2027.

Our intent in providing this testimony is to offer perspective on the investor-owned utility model and to highlight key considerations for policymakers when evaluating alternative ownership structures.

BGE has a deep and longstanding history serving Maryland. Founded in 1816 as the Gas Light Company of Baltimore, BGE's predecessor, was the first gas company in the nation. Since its founding, the company has continued to provide safe and reliable energy services to Central Maryland for more than 200 years. Today, BGE delivers electricity to approximately 1.3 million customers and natural gas to more than 700,000 customers across an electric footprint of approximately 2,300 square miles and a gas service territory of roughly 800 square miles. BGE also employs over 3,300 individuals, with the vast majority being Marylanders, making the company a significant contributor to the State's economy.

House Bill 54 contemplates restructuring utilities from the investor-owned utility (IOU) model to municipal government ownership. As a regulated IOU, BGE supports informed discussions about Maryland's electric industry and recognizes concerns related to affordability, accountability, and long-term sustainability. At the same time, establishing a task force to study municipalization may introduce uncertainty for electric utilities as they work to maintain the safe, reliable, and cost-effective delivery of electricity to Maryland customers.

Under the IOU framework, utilities operate under comprehensive Public Service Commission (PSC) oversight that balances customer protection, service reliability, and long-term infrastructure investment. Importantly, financial risk is shared between customers and shareholders. While IOUs recover prudently incurred costs, recovery is not guaranteed, and shareholders absorb the risk of disallowance. By contrast, municipal utilities generally operate without comparable independent regulatory oversight and without shareholders share financial

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

John Haysbert | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281



Position Statement

risk. As a result, all operational, financial, and infrastructure risks, including full cost recovery, are borne directly by municipal taxpayers.

Municipalization also presents substantial economic challenges. It typically requires the acquisition or condemnation of an existing IOU's assets often at fair market value totaling billions of dollars. This includes purchasing the generation, transmission and distribution infrastructure, information technology systems, and contractual obligations. For context, Exelon acquired BGE in 2016 for approximately \$7.9 billion, and current market conditions suggest such valuations would be significantly higher today.

Experience shows municipalization is rare and difficult. A January 2025 Brattle Group¹ study found that the most recent completed municipalization occurred in 2013. Since then, 21 efforts have been initiated and abandoned or rejected. Over the past 25 years, approximately 64 municipalization initiatives were launched nationwide, yet only five, about 8 percent, were completed and remain in service. Notably, all successful efforts involved very small systems, serving fewer than 20,000 customers, none approaching the scale or complexity of BGE's system.

As policymakers consider *House Bill 54*, it is critical to weigh the significant financial, operational, and risk allocation implications of municipalization, particularly for a large, integrated electric and gas system serving millions of Marylanders. Moreover, the establishment of a task force focused on restructuring may be viewed unfavorably by the investment community, signaling policy uncertainty that could affect future infrastructure investment in Maryland. At a time when both the State and utilities face growing resource constraints, diverting attention to exploratory restructuring efforts may complicate shared priorities of safety, reliability, and affordability.

Lastly, the Dept. of Legislative Services reports that the special fund expenditures for the PSC to conduct the study would increase by approximately \$667,000 in fiscal 2027 and \$333,000 in fiscal 2028. Taking on this obligation at a local or state level may not be economically practical.

BGE appreciates the opportunity to provide this information and stands ready to serve as a constructive resource on the Taskforce.

¹ [Electric Utility Municipalization: Key Statistics and Risk Considerations](#)

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

HB0054 - LOI - Task Force to Study Restructuring

Uploaded by: Megan Outten

Position: INFO



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Economic Matters Committee
FROM: MEA
SUBJECT: HB 54 - Task Force to Study Restructuring Maryland's Electric Utility Industry
DATE: February 3, 2026

MEA Position: LETTER OF INFORMATION

The Maryland Energy Administration shares the General Assembly's interest in ensuring affordable, reliable, and equitable electric service for Maryland ratepayers. However, the scope highlighted in House Bill 54 substantially overlaps with ongoing and recently initiated efforts within the Administration and legislative leadership to address Maryland's broader energy resource planning and electric market structure challenges, including the Strategic Energy Planning Office which was created in December 2025 after the General Assembly passed the Energy Resource Adequacy and Planning Act.

In December 2025, Governor Moore announced a comprehensive, Administration-led task force charged with examining Maryland's long-term energy resource adequacy, grid reliability, market participation, and cost impacts to ratepayers. That effort brings together the Maryland Energy Administration, the Public Service Commission, the Maryland Department of the Environment, the Office of People's Counsel, and other key agency and industry stakeholders to comprehensively assess how Maryland's electric system must evolve to meet reliability, affordability, and clean energy goals. The scope of this work includes many of the same core issues brought forth in House Bill 54, including electric market structure, infrastructure investment needs, ratepayer impacts, and Maryland's role within regional transmission and wholesale market frameworks.

Given this landscape, House Bill 54 risks duplicating ongoing, resource-intensive efforts already underway across State agencies and stakeholder bodies. Establishing an additional task force with overlapping membership, scope, and analytical objectives may strain limited agency resources, create parallel processes, and introduce potential confusion regarding the State's primary forum for evaluating complex electric market restructuring questions.

For these reasons, this bill is submitted with this letter of information to note the substantial overlap with ongoing Administration and legislative efforts and to encourage continued coordination as Maryland evaluates long-term electric utility and market structure considerations. 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.

HB54- Study of Electric Companies - LOI.pdf

Uploaded by: Poetri Deal

Position: INFO



February 3, 2026

112 West Street
Annapolis, MD 21401

Letter of Information – House Bill 54- Task Force to Study Restructuring Maryland’s Electric Utility Industry

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully submit this letter of information for **HB 54 Task Force to Study Restructuring Maryland’s Electric Utility Industry**. HB 54 would establish a task force to study alternative utility ownership models – including municipalization – and submit recommendations to the General Assembly by November 1, 2027. Pepco and Delmarva Power recognize the interest in exploring different models and the underlying policy concerns related to affordability, accountability, and long-term sustainability. Our purpose in providing this letter is to highlight key considerations policymakers should ensure are fully evaluated as part of the Task Force’s work.

Any evaluation of municipalization or restructuring should include a comprehensive review of all costs, not only the “purchase price” of physical assets. Key cost elements can include:

- Acquisition or condemnation costs (including litigation, expert valuation, and transaction expenses)
- Assumption or replacement of information technology systems, operational tools, and control systems
- Transition of workforce, benefits, training, and specialized operational capabilities
- Ongoing obligations under contracts, vendor agreements, and regional operating requirements
- “One-time” transition costs that can become significant and ultimately affect customers and/or taxpayers

2) Risk allocation shifts – and taxpayers may become the backstop

Under an investor-owned utility (IOU) framework, utilities operate under comprehensive regulation and must meet performance obligations while making large, long-term infrastructure investments. Under municipal ownership, key risks can shift materially, including:

- Storm restoration and emergency response costs
- Capital investment needs and cost overruns
- Cybersecurity and system-hardening requirements
- Operational and financial performance risks

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.

3. Municipalization is uncommon at scale and can be difficult to complete

We encourage the Task Force to review the available research on municipalization outcomes nationwide. For example, a January 2025 Brattle Group review (cited in stakeholder discussions) indicates municipalization efforts are infrequent and often do not reach completion, with successful outcomes typically involving smaller systems rather than large, complex networks serving substantial customer bases. The Task Force should evaluate these outcomes alongside Maryland's specific context.

Pepco and Delmarva Power support informed discussion. At the same time, establishing a Task Force specifically focused on restructuring can introduce uncertainty that may affect stakeholder perceptions and complicate long-term planning. If HB 54 moves forward, we encourage clear guardrails so the study is fact-based, considers all costs and risks, and avoids creating uncertainty that could impede essential infrastructure investments.

Pepco and Delmarva Power appreciate the Committee's attention to affordability and accountability and supports a thoughtful, evidence-based review of Maryland's electric utility structure. This Letter of Information is intended to ensure the Task Force's work – if established – fully evaluates the financial, operational, and reliability implications of restructuring and municipalization, particularly for large, integrated systems serving Maryland residents and businesses.