



WGL Energy Services, Inc.  
8614 Westwood Center Dr., Suite 1100  
Vienna, VA 22182  
Janique.williams@wglenergy.com  
WGLEnergy.com

March 9, 2026

To: Chair Korman and Members of the Committee  
Subject: HB1561 - Electricity Generation and Storage - Investor-Owned Electric Companies and Front-of-the-Meter Storage (Affordable Energy Act)  
Position: Unfavorable

Dear Chair Korman and Members of the Committee,

WGL Energy Services Inc. (WGL Energy) expresses opposition to House Bill 1561, contending that the proposed policy will impose an extra financial obligation on ratepayers who are already subjected to elevated utility expenses. Furthermore, it could jeopardize the stability of the competitive electricity market that has traditionally functioned within the PJM Interconnection region. Like other states in the PJM Interconnection regional electricity market, Maryland is currently facing high electricity costs. While it's understandable to worry about rising electric bills, allowing electric distribution utilities to own generation assets is not the solution to the current problems.

Maryland has historically benefited from a competitive wholesale electricity market framework that promotes efficiency, innovation, and cost discipline among generation providers. Permitting utilities to recover generation investments via regulated rates would transfer financial risks from investors to ratepayers and compromise the competitive market structure that has directed the region's electricity policy for many years.

Experiences from other states underscore the potential risks associated with this approach. In New Jersey, a comparable bill, Assembly Bill A5439, was introduced but did not pass due to concerns about market disruption and additional costs for consumers. Similarly, Ohio recently reaffirmed its support for competitive electricity markets through House Bill 15 (2025). This legislation enhances safeguards that prevent electric distribution companies from owning generation assets or engaging in wholesale market bidding using ratepayer funds. Ohio deregulated its generation market in 1999, and this provision serves to maintain a competitive environment by ensuring that utilities remain separate from generation providers. These cases illustrate a fundamental policy principle: that competitive markets function most effectively when generation investments are undertaken by entities willing to assume the associated financial risks, rather than regulated utilities that recover costs from customers.

Consequently, WGL Energy respectfully requests policymakers to meticulously evaluate the possible implications of House Bill 1561 concerning market competition, consumer expenses, and the integrity of the regional electricity market. Resolving escalating electricity prices necessitates solutions that uphold competition and safeguard ratepayers, rather than transferring market risks onto them.

We urge an unfavorable report on House Bill 1561.