

Six Legislative Solutions to Maryland's Energy Crisis – Part Three of Three

On Monday, I wrote a message discussing the proposed 70-mile electrical transmission line crossing Baltimore, Carroll and Frederick Counties. Yesterday, I sent you a second message discussing Maryland's dire need to generate more electricity. Today, I want to share with you the details of six pieces of legislation that I plan to promote during the 2025 Session of the General Assembly which will start at noon today and will run for 90 days until midnight on April 7 (which happens to be my birthday!)

As you will see, these are serious and impactful pieces of legislation designed to deal with the issues raised in the previous two messages.

Planned 2025 Bills

First Bill

(a) There will be a Task Force to Develop a Realistic Electricity Plan for Maryland. The Task Force will consist of 21 members, consisting of one member of the House of Delegates appointed by the Speaker of the House, one member of the State Senate appointed by the President of the Senate, the Secretary of the Environment or the Secretary's designee, the Secretary of Agriculture or the Secretary's designee, the Director of the Maryland Energy Administration or the Director's designee, the People's Counsel or the designee of the People's Counsel, a member of the Public Service Commission appointed by the Chair of the Public Service Commission, a representative of PJM Interconnection designated by PJM Interconnection, a representative of the Baltimore Gas & Electric Company designated by the Baltimore Gas & Electric Company, a representative of Constellation Energy Corporation designated by Constellation Energy Corporation, a representative of Potomac Electric Power Company designated by Potomac Electric Power Company, a representative of Potomac Edison Company designated by Potomac Edison Company, a representative of Delmarva Power & Light Company designated by Delmarva Power & Light Company, a representative of Southern Maryland Electric Cooperative, Inc. designated by Southern Maryland Electric Cooperative, Inc., a representative of Maryland's independent electricity generating companies designated by the Director of the Maryland Energy Administration, one member of the Maryland agricultural community appointed by the Maryland Farm Bureau, one member appointed by the Speaker of the House of Delegates and one member appointed by the President of the Senate to represent environmental nonprofit organizations, one member appointed by the Speaker of the House of Delegates and one member appointed by the President of the Senate to represent the interests of Maryland ratepayers and one public energy expert appointed by the Governor. The members of the Task Force shall select one of their number to chair the Task Force. The Maryland Energy Administration shall staff the Task Force and may hire an independent consultant to assist the Task Force in its work.

(b) The Task Force will assemble data showing the most realistic current forecasts for Maryland's electricity needs in 2026, 2030, 2035 and 2040 in the event that current state energy policies remain unchanged, data showing the most realistic current forecasts for Maryland's production of electricity in 2026, 2030, 2035 and 2040 in the event that current state energy policies remain unchanged, the most realistic current estimates of the percentage of electricity which Maryland will have to import from other states in 2026, 2030, 2035 and 2040 in the event that current state energy policies remain unchanged and the most realistic current estimates of the monthly amounts attributable to the capacity electricity market that will be included in the electric bills of the average Maryland resident by each of companies distributing electricity to Maryland homes in 2026, 2030,

2035 and 2040 in the event that current state energy policies remain unchanged. The Task Force will further make the most realistic current estimates of the monthly amounts attributable to the capacity electricity market that will be included in the electric bills of the average Maryland resident by each of companies distributing electricity to Maryland homes in 2030, 2035 and 2040 in the event that Maryland were to import no more than 25% of its electricity from other states in those years. Each utility in the state of Maryland shall provide the data requested by the Task Force necessary to produce these estimates.

(c) The Task Force will consider realistic policy options and make recommendations as to legislative initiatives which would ensure that Maryland imports no more than 25% of its electricity from other states in 2030, 2035 and 2040 and that the electricity available to Maryland residents and businesses will remain adequate and reliable throughout the entire state during the period between now and 2040. Among the options that shall be considered by the Task Force shall be the expansion of the state's nuclear energy generation capability, the expansion of the state's renewable energy resources, the prioritization of energy storage facilities and the upgrading and enhancement of the state's existing electricity transmission system.

(d) On or before December 31, 2025, the Task Force will report its findings and recommendations to the Governor and, in accordance with Section 2-1257 of the State Government Article, the General Assembly.

(e) The Public Service Commission will be directed to refrain from approving any new electric transmission lines in Maryland until the earliest of May 1, 2026.

SECOND.BILL

Section 7-505(b)(10)(iii) of the Public Utilities Article of the Maryland Code shall be amended to authorize regulated electric companies to acquire, construct or lease, and operate, electricity generating facilities. Section 7-510(b)(6) of the Public Utilities Article shall be amended to read as follows: "In order to meet long-term, anticipated demand in the State for standard offer service and other electricity supply AND IN ORDER TO MEET THE NEAR-TERM NEED FOR THE CONTINUED OPERATION OF THE BRANDON SHORES AND THE WAGNER ELECTRICAL GENERATING FACILITIES, the Commission AS NECESSARY [may] SHALL require [or allow] an investor-owned electric company to construct, acquire or lease, and operate, its own generating facilities and transmission facilities necessary to interconnect the generating facilities with the electric grid, subject to appropriate cost recovery."

THIRD.BILL

A bill to be entitled "The Climate Solutions Now Act Amendment for Temporary Natural Gas Energy Generation", as follows: "Notwithstanding any provision in Maryland law that restricts the permitting, construction or operation of natural gas energy generation facilities, such facilities using the best available emissions control technologies to minimize greenhouse gas emissions may be permitted, constructed and operated within the state until such time as Maryland reaches 50% of its energy demand needs through renewable energy sources, including but not limited to wind, solar, hydroelectric, geothermal and nuclear power. At such time as Maryland reaches 50% of its energy demand needs through renewable energy sources, the Maryland Public Service Commission and the Maryland Energy Administration shall jointly establish a plan to gradually phase out Maryland's natural gas energy generation facilities as Maryland's renewable energy sources continue to grow until they can supply Maryland with 100% clean electricity."

FOURTH.BILL

A bill to be entitled “The Data Center Energy Independence Act”. This bill will define “data center” as any facility or group of facilities under common ownership which house computer systems and associated components, such as telecommunications and storage systems, for the purpose of processing, storing or disseminating data. The term “industrial data center” will be defined as “a data center that consumes or is projected to consume more than 20 megawatts of electrical power per year. Under the bill, each new industrial data center permitted or constructed after the effective date of the Act will be required to build and operate a power generation facility within the State of Maryland which is capable of generating 100% of the projected annual energy consumption of the industrial data center, such power to be dedicated to the use of the industrial data center or to be placed onto the interstate electric grid.

FIFTH.BILL

A bill to be entitled “The Electrical Grid Optimization and Expansion Act”. This bill will define “optimization” as upgrading, enhancing or otherwise improving the existing electrical transmission and distribution grid in Maryland to increase its efficiency, capacity or reliability without the need for new transmission lines. The bill will provide that before the Maryland Public Service Commission can approve any application for the construction of a new electrical transmission line in Maryland, the PSC shall require a Grid Optimization Study to be conducted by the applicant evaluating the potential for increasing the capacity and efficiency of the state’s existing transmission and distribution infrastructure through: (a) the implementation of advanced grid technologies, including smart grid technologies and advanced battery storage systems; (b) optimization of existing transmission lines through reconductoring, dynamic line ratings, advanced power flow control and voltage optimization; (c) strategic deployment of distributed energy resources that reduce load on the grid, including battery storage measures; and (d) improvement of energy efficiency programs that reduce grid demand. Once such a Grid Optimization Study has been completed, the public as well as the Office of People’s Counsel shall be afforded the opportunity to comment on the Study. Thereafter, the Public Service Commission shall consult with the applicant to determine whether, in light of the Study, the applicant has fully complied with both the spirit and terms of the Federal Energy Regulatory Commission’s Order 1920, and any grant by the Public Service Commission of the application shall explicitly reference the Study and whether the applicant has fully complied with Order 1920

SIXTH.BILL

A bill entitled “The 2025 Eminent Domain Improvements Act”. This bill will make three significant changes to the Maryland eminent domain statute. First, it will provide that the use of eminent domain’s quick take authority will be prohibited on any land that is subject to a conservation easement or a preservation easement in connection with the use of eminent domain in order to acquire land for an electrical transmission line pursuant to a Certificate Public Convenience and Necessity issued by the Maryland Public Service Commission. Second, it will provide that in any eminent domain action brought to acquire land for an electrical transmission line pursuant to a Certificate of Public Convenience and Necessity issued by the Maryland Public Service Commission, not only will the owners of the land acquired through eminent domain have the right to be compensated for the loss of their land but in addition, the owners of any land located within 150 feet of the acquired land with also have the right to be compensated for the diminution in value of their land due to the proposed transmission line. Third, it will provide that in any eminent domain action brought to acquire land for an electrical transmission line pursuant to a Certificate of Public Convenience and Necessity issued by the Maryland Public Service Commission, in the event such

an action results in a court proceeding, if the landowner prevails and the court concludes that the value of the land that is the subject of the court proceeding has a higher value than the party bringing the court action had offered the landowner, the prevailing landowner will be entitled to recover his reasonable attorneys fees and court costs.

-Chris