

Briefing: Implementation of the Utility RELIEF Act and Other Issues

Maryland Energy Administration

Environment & Transportation Committee | September 15, 2026

Maryland Energy Administration Mission

We promote **clean, affordable, reliable energy** and energy-related greenhouse gas emissions reductions to benefit Marylanders in a **just and equitable** manner.



Affordability Actions

Putting money back in Marylanders' pockets

Advocating to mitigate utility price increases

Reforming wholesale market practices and governance

\$20 million/year expected savings from RTO
Adder surcharge complaint

\$100 million/year clean energy auction

>60% reduction in Pepco requested rate
increase

\$13 billion saved from PJM price cap extension

\$300 million/year in support & energy relief
from Utility RELIEF Act (incl. auction)



Implementing 2026 Energy Legislation

Utility RELIEF Act

- Megawatts for Maryland auction
- RTO Adder surcharge complaint
- Residential Energy Equity Heat Pump program

DRIVE Act

- Affordability & reliability through grid modernization
- Working with PSC & utilities to maximize participation

Next Generation Energy Act

- Nuclear procurement workgroup
- Pursuing regional cost-sharing agreements



Federal Funding

Following DOE delays, MEA will resubmit its IRA Rebates application by September 30

- HEEHR (electrification) – \$68M
- HOMES (efficiency) – \$68M



Rate Case Advocacy

- **Pepco (9820)**
 - Win for **affordability** and **grid modernization**
 - Expect utilities to analyze **lowest cost solutions** *first*
 - Advocated for **integration of flexible DERs** for **long-term affordability**
- **BGE (9888)**
 - MEA is actively reviewing and in discovery
 - Deadline for testimony is September 22
- **Potomac Edison (9904)**
 - Filed September 4; MEA is actively reviewing



Affordability & Executive Order Implementation

Advisory Council Report

- Provided report to Subcabinet on June 24
- 7 key challenges
- 57 specific actions

Cost Control & Levelized Billing Petitions

- **Cost control:** Require utilities to report how they're maximizing savings, managing load, and facilitating flexible solutions
- **Levelized billing:** Review construct to ensure fairness & efficacy for ratepayers

Transmission Workgroup

- Focus on GETs, high-performance conductors, shared savings incentives, siting & permitting
- 5 meetings completed



PJM, Transmission & Regional Issues

- We have taken a leading role advocating for **governance and market reforms**
- PJM price cap extension saved ratepayers **over \$13B in avoided costs** in the last capacity auction

States must have a stronger and more formal role in PJM decisions, representing the public interest.



Looking Forward

- Key Plans & Reports
 - Data Center Study (Data Center Impact Analysis and Report – HB270, 2025)
 - Power Flow Analysis (part of Energy Resource Adequacy and Planning Act – HB1037, 2025)
 - State Energy Plan



Thank You



Energy Oversight Briefing

House Environment and Transportation Committee

Maryland Public Service Commission

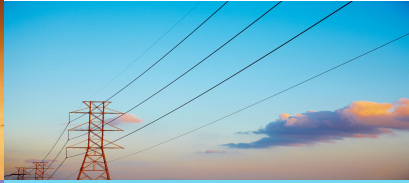
September 15, 2026

Function of the Public Service Commission



Jurisdiction

- Authority over each public service company that engages in or operates a utility business in Maryland
- Authority over motor carrier companies
- No jurisdiction over member-regulated cooperatives



Supervise and Regulate

- Ensure public service companies operate in the public interest
- Promote adequate, economical, and efficiency delivery of utility service



Enforce

Ensure public service companies comply with the requirements of law



Consider

- Public safety
- Economy
- Fair labor standards
- Conservation of resources
- Preservation of the environment
- Achievement of climate goals
- Cybersecurity protection

Commission Workload

The Commission's workload has expanded significantly in recent years.

Hearings held per year
between 2019 and 2025
increased from 134 to
258

 **92%**

 **120%**

Filings per year between
2019 and 2025
increased from 4,888 to
10,773

Per year between 2021
and 2025:

Cases:  **77%**
61 → 108

Decisions: **56%** 
299 → 467

Overview

- I. Utility RELIEF Act (2026) implementation updates
- II. Next Generation Energy Act (2025) implementation updates
- III. DRIVE Act updates
- IV. Other notable proceedings at the Commission

I. Utility RELIEF Act Implementation Updates

- A. EmPOWER initiatives
- B. Large Load customers
- C. NEM successor program
- D. Residential rate relief

I-A. EmPOWER initiatives

1

**PUA § 7-222: sunset
EmPOWER gas
programs by EOY**

**WGL sunset plan
approved in Order
No. 92597, Case No.
9705 (8/21/26)**

2

**PUA § 7-223:
Adjust GhG
emissions goals for
2027-2029**

**Directive to utilities
to adjust their plans
included in Order
No. 92522, Case No.
9705 (7/10/26)**

3

**HB 1532 § 13:
Recommendations
for changes to next
cycle of EmPOWER
by 11/1/27**

**Report in progress,
on track to be
delivered on time**

4

**HB 1532 § 14:
Conduct RFI process
on third party single
implementer**

**RFI being
developed using
information about
utilities' next cycle
programs**

I-B. Large Load customers



PUA § 4-212

Establish voluntary large load interruptible interconnection service



Working to ensure MD large load management programs do not conflict with PJM's



PUA § 7-233

Establish large load registry by 7/1/27



Staff will begin design of registry submission portal early 2027



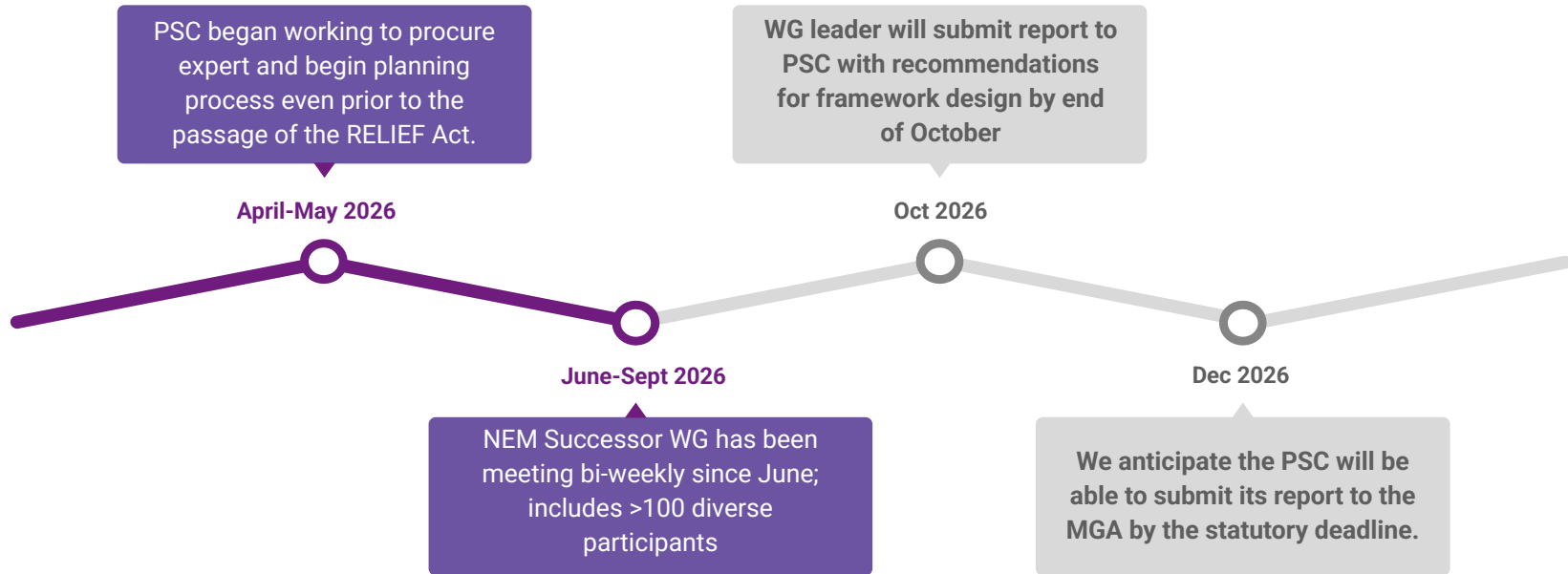
PUA § 7-234

Establish clean capacity rating program by 12/15/27



Target Nov. 2026 to issue RFP for consultant

I-C. NEM successor program



I-D. Residential rate relief

Rate relief requirements of HB 1532 Section 10:

- Establish grant process to facilitate customer credits
- Consult with utilities on process to include master-metered customers in the credit process

***The Commission is also working in PC 59 to apply the funds allocated by HB 1532 Section 7 to offset costs of the LIM program**

JUNE
29

PSC convened PC 80 and directed utilities to file recommendations

AUG
14

Utility filings and stakeholder comments received

SEPT
15

Staff to review all filings and provide its recommendations for next steps to PSC

DEC
01

PSC will direct utilities how to proceed and report to MGA as necessary

II. Next Generation Energy Act Implementation Updates

- A. Transmission-connected storage
- B. Distribution-connected storage
- C. Nuclear procurement
- D. Generation expedited CPCN

II-A. Transmission-connected storage

Round 1 Proposed Project	Applicant	Location	Capacity
Oystercatcher Energy Storage	Cardinal Energy Storage East, LLC	Harford County	500 MW
Fourth Quarter BESS (WITHDRAWN 8/28)	RWE Supply & Trading Americas, LLC	Montgomery County	300 MW
Pulaski Energy Storage (WITHDRAWN 7/2)	Pulaski Energy Storage LLC	Baltimore City	135 MW
Chalk Point Storage	Chalk Point Reliability Storage LLC	Prince George's County	400 MW
Jade Meadow III Battery Storage	Jade Meadow III LLC	Garrett County	40 MW
Total			1375 MW

The 3 remaining projects are currently under review with a decision expected by **October 1, 2026 (Case No. 9866)



Round 1 Target is 800 MW in service by 10/1/2028



Round 2 Target is 800 MW in service by 10/1/2029

II-B. Distribution-connected storage

Round 1

- 6 Programs
- 50 MW total projected capacity
 - BGE - 29; Pepco - 10.5; Delmarva - 4; PE - 6.5
- Projected service date 11/1/27
- Approved by PSC 4/8/26
Order No. 92281, Case No. 9715

Round 2

- Utility plans due by 11/1/26
 - BGE: 87 MW (58 MW min)
 - Pepco: 31.5 MW (20 MW min)
 - Delmarva: 12 MW (8 MW min)
 - PE: 15.9 MW (13 MW min)
- 100 MW total projected capacity
- Projected service date 11/1/28

II-C. Nuclear procurement



Report on regulations submitted to MGA 1/21/26



Technical Staff is currently drafting regulations to file with PSC



Nuclear consultant RFP to issue Sept 2026 for July 2027 procurement (PUA §§ 7-1217 - 1220)



Changes introduced by HB 1532 included in RFP language

II-D. Generation expedited CPCN

October 2025	December 2025	October 2026	December 2026
First solicitation issued pursuant to PUA § § 7-1201 - 7-1209 ⇒ PC 74 ⇒ 5 project proposals submitted (2 subsequently withdrawn)	PSC accepted 2 project proposals to be eligible for expedited CPCN process ⇒ Both natural gas projects submitted by Constellation ⇒ Anticipated CPCN application date = June 2027	Second solicitation to be issued pursuant to PUA § § 7-1201 - 7-1209	Second solicitation projects to be selected for eligibility to apply for expedited CPCN

III. Drive Act Updates

- A. Utility plan proposals
- B. Implementation of Utility RELIEF Act requirements

III-A. Approved Utility Plan Proposals

Total Approved Peak
Load Reduction

BGE

Program:

1. Bring-Your-Own-Device
2. Aggregator Participation

Peak Load Reduction:

4.4 MW
139.12 MW



139.12
MW

**Pepco/
Delmarva**

Program:

1. Residential/Small C&I BESS/EV
2. Large C&I Alternative

Peak Load Reduction:

4.4 MW
30 MW



34.4
MW

**Potomac
Edison**

Program:

1. BYOD Direct Enroll Pathway
2. Aggregated Resource Pathway
3. Locational Adders

Peak Load Reduction:

2.3 MW
9.87 MW



12.17
MW

III-B. Implementation of Utility RELIEF Act requirements

“”

The RELIEF Act reduces ratepayer surcharges due to affordability concerns, while continuing to potentially fund these surcharges if any funds are available in the Maryland Strategic Energy Investment Fund (“SEIF”) administered by MEA.

Order No. 92488 (June 29, 2026)
Case No. 9761

IV. Other Notable Commission Proceedings

- A. STRIDE/gas planning
- B. Rate Cases
- C. FERC/PJM matters

IV-A. STRIDE / gas planning

Long-term gas planning

Case 9707 Phase II evidentiary proceedings ongoing
Hearing dates: 10/5/26 - 10/9/26
Special Master report due to PSC by 1/29/27

STRIDE Rulemaking (RM 95)

- Proceedings to add new chapter related to gas infrastructure construction or replacement
- Pursuant to PUA § 4-210 as amended by NGEA
- Written comments due 10/7/26
- Rulemaking session on 10/21/26

IV-B. Rate Cases

Washington Gas Case No. 9849

- WGL requested \$82.5 million revenue increase—PSC approved \$38 million
- PSC ordered Phase II proceeding to ensure compliance with executive compensation rate recovery restrictions included in HB 1532 and other rate design issues. (Order No. 92541)

Pepco Case No. 9849

- Pepco requested \$119.8 million revenue increase—PSC approved \$50.9 million
- PSC ordered Phase II proceeding to ensure compliance with executive compensation rate recovery restrictions included in HB 1532 (Order No. 92607)

BGE, Case No. 9888

- Filed 7/2/26; Final Order expected January 2027
- Requesting electric revenue increase of \$156.1 million

PE, Case No. 9904

- Filed 9/4/26; Final Order expected April 2027
- Requesting revenue increase of \$52.8 million

IV-C. FERC/PJM matters



Joint FERC Filing

Joint filing with MEA and OPC to remove “RTO adder” from transmission rates (PUA § 7-109)



Capacity & Supply

Short-term actions and long-term solution planning to address supply shortages and high capacity prices



PJM Governance

FERC ADR process to address independence and transparency concerns

Resources



| 6 St. Paul St, Baltimore, MD | www.marylandpsc.gov |



Utility RELIEF Act (2026) Implementation Proceedings

Proceeding No.	Docket
<u>9890</u>	2027-2029 EmPOWER Programs
<u>PC 80</u>	RELIEF Refunds and Master Meters
<u>PC 78</u>	NEM Successor Program (2.0)
<u>PC 83</u>	Test Year Study

NGEA (2025) Implementation Proceedings

Proceeding No.	Docket
<u>9715</u>	MD Energy Storage Program/NGEA Storage Solicitation
<u>9866</u>	Transmission Connected Storage Proposals
<u>PC 75</u>	Transmission-Connected Storage Process
<u>PC 71</u>	Nuclear Procurement Regulations
<u>PC 72</u>	Large Load Customer Tariffs
<u>PC 74</u>	Dispatchable Gen Solicitation + Exp. CPCN
<u>RM 95</u>	STRIDE Plan NGEA Compliance Standards Regulations

DRIVE Act (2024) Implementation Proceedings

Proceeding No.	Docket
<u>9761</u>	DRIVE Act Implementation
<u>9778</u>	Interconnection WG (DERs)

RECA (2025) Implementation Proceedings

Proceeding No.	Docket
<u>9873</u>	Solar Decommissioning Plan Requirements
<u>PC 66</u>	Resource Adequacy/Gen Procurement Model
<u>RM 85</u>	Maryland Energy Storage Initiative Regulations
<u>RM 97</u>	PPRP Proposed DGCPCN Requirements

Other Notable Proceedings

Proceeding No.	Docket	Proceeding No.	Docket
<u>9618</u>	MRPs	<u>PC 59</u>	Limited Income Mechanism
<u>9705</u>	EmPOWER (2024-2026)	<u>PC 81</u>	LIM Study for Water/WW
<u>9707</u>	Long-term Gas Planning	<u>RM 56</u>	CSEGS/NEM Regulations
<u>9820</u>	Pepco Rates 2026	<u>RM 76</u>	Cybersecurity Reporting
<u>9849</u>	Wash. Gas Rates 2026	<u>RM 92</u>	Gas Planning Regulations
<u>9888</u>	BGE Rates 2026		

House Energy and Transportation Committee

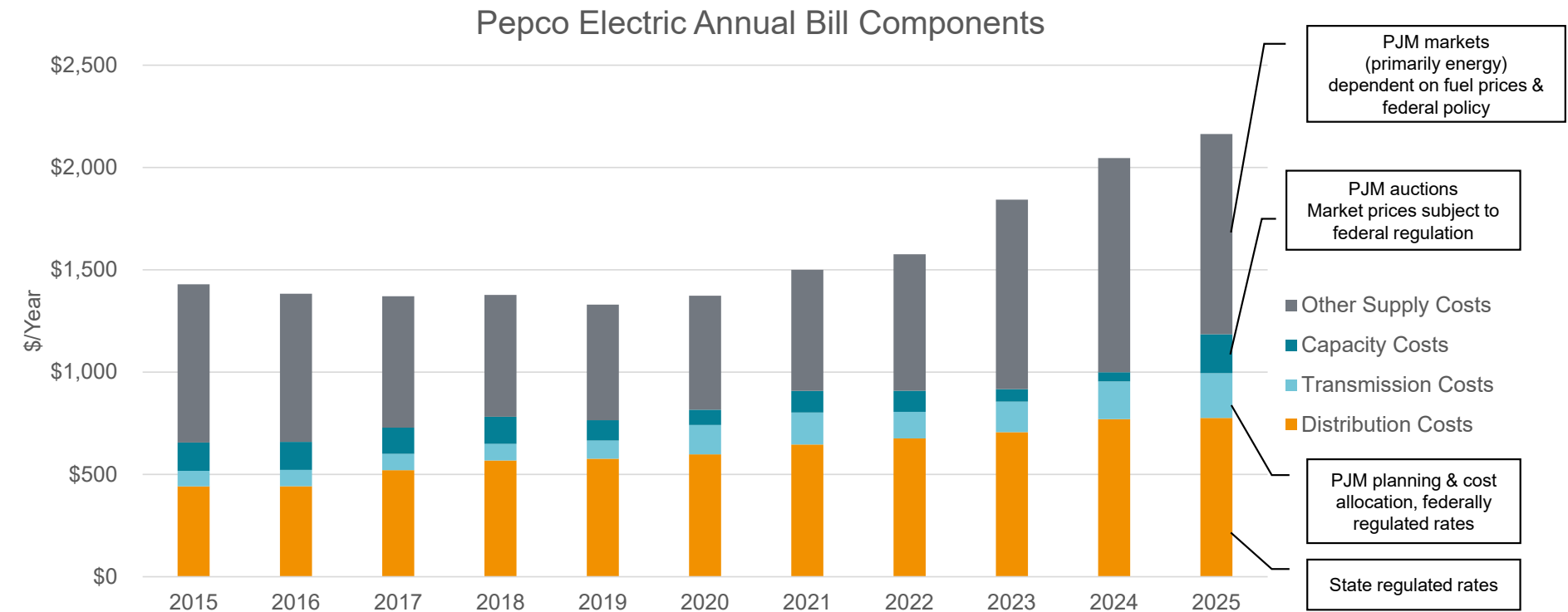
Energy Oversight Briefing

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People's Counsel

September 15, 2026

Electric Bill Components (Pepco Illustration)

Other utility illustrations at slides A-1—A-5

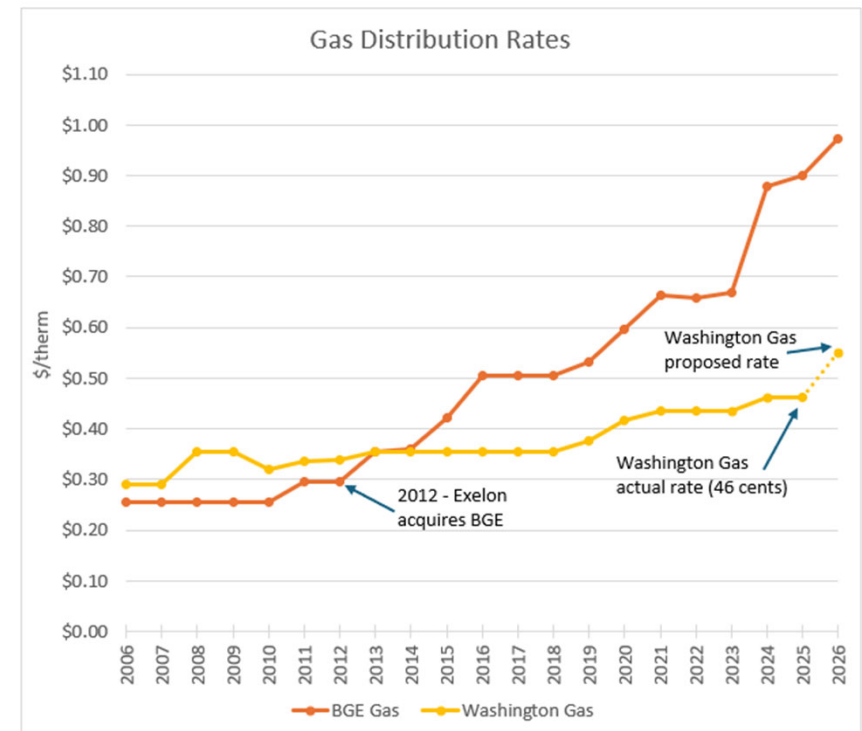
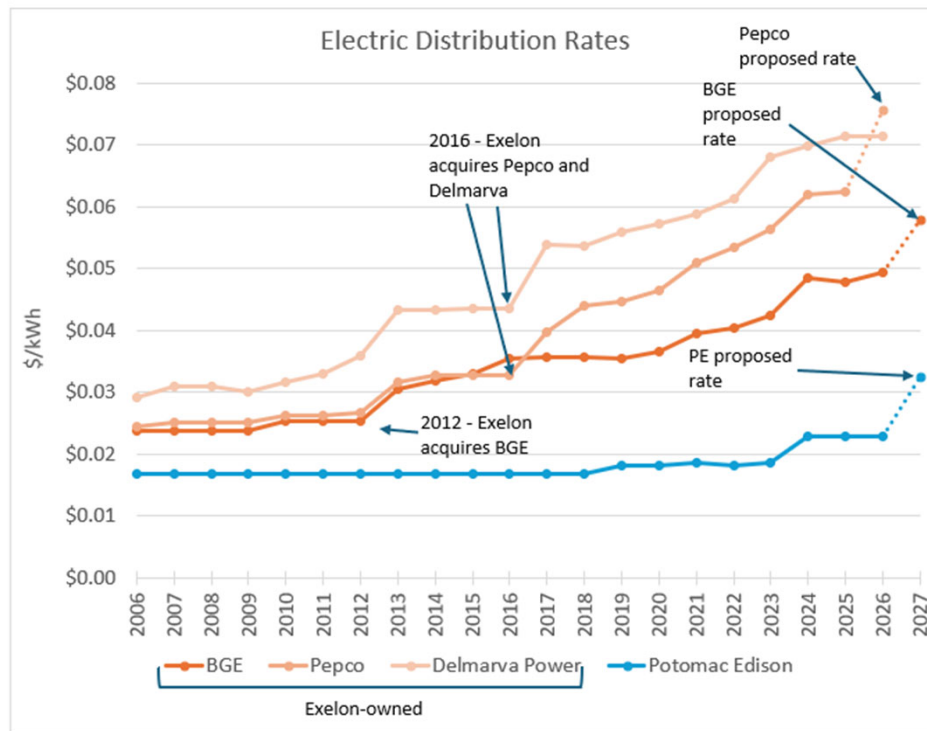


Source: OPC compilation based on publicly available data; based on usage of 900 kWh/month.

[Click here](#) to learn more about utility rates and basics and to access OPC's 2025 rates report.

Escalating Distribution Rates

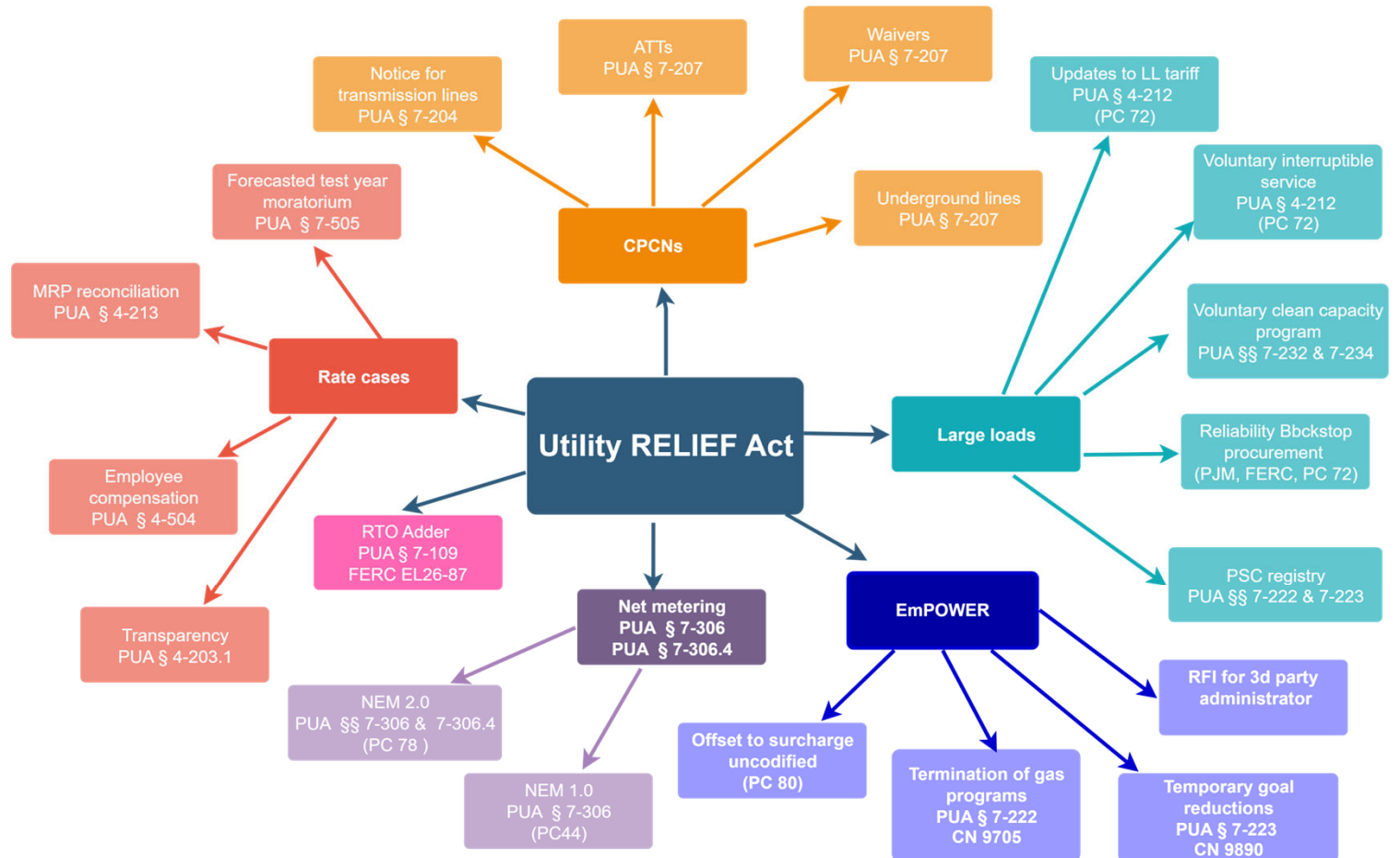
The State exercises “pervasive” regulation over a primary driver of escalating utility bills—distribution rates.



Legislative Implementation – Utility RELIEF Act

Other

- expanded Tx-connected storage procurement
- annual energy storage reports
- quadrennial ATT reports
- retail supply reform
- solar permitting
- PSC website updates
- ACP auctions
- SEIF \$ for DRIVE Act & LIM
- CSEG auto-enrollment study
- priority energy sites & permitting study
- GREEN loan program & fund assistance
- EV GHG reporting & more



Legislative Implementation – Selected Highlights

- Large load (data center) tariff
- STRIDE & non-STRIDE gas infrastructure replacement
- Regional Transmission Organization (RTO) return on equity (ROE or profits) adder for transmission costs
- Certificate of Public Convenience and Necessity (CPCN) reform
- Utility employee compensation limitations
- Multi-year rate plans (MRPs) & forecasted test years

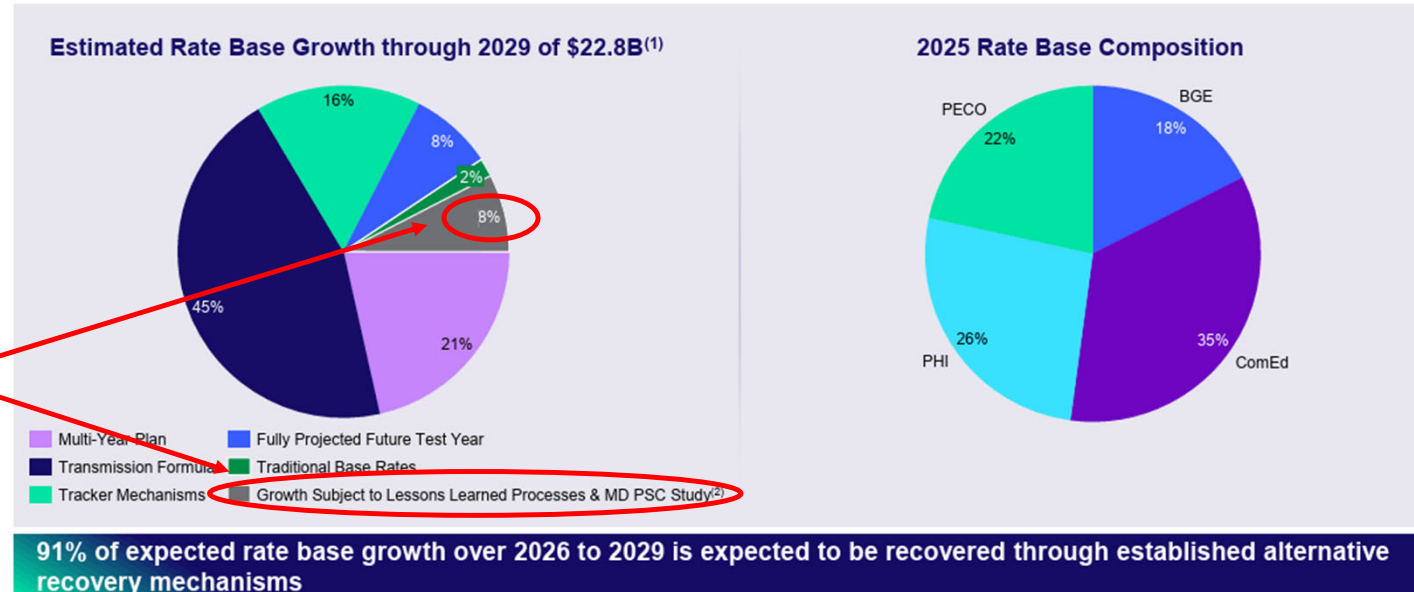
MRPs & Forecasted Test Years

Alternative regulatory mechanisms favorable to investors



Exelon says that **\$1.83 billion** in rate base growth “subject to” outcomes of PSC study on forecasted test year rates

Alternative Regulatory Mechanisms Across Variety of Jurisdictions



(1) Reflects expected rate base growth for 2026E-2029E as of Q1 2026 disclosure dated May 6, 2026.
(2) See Additional Disclosures slide 30 for additional detail.

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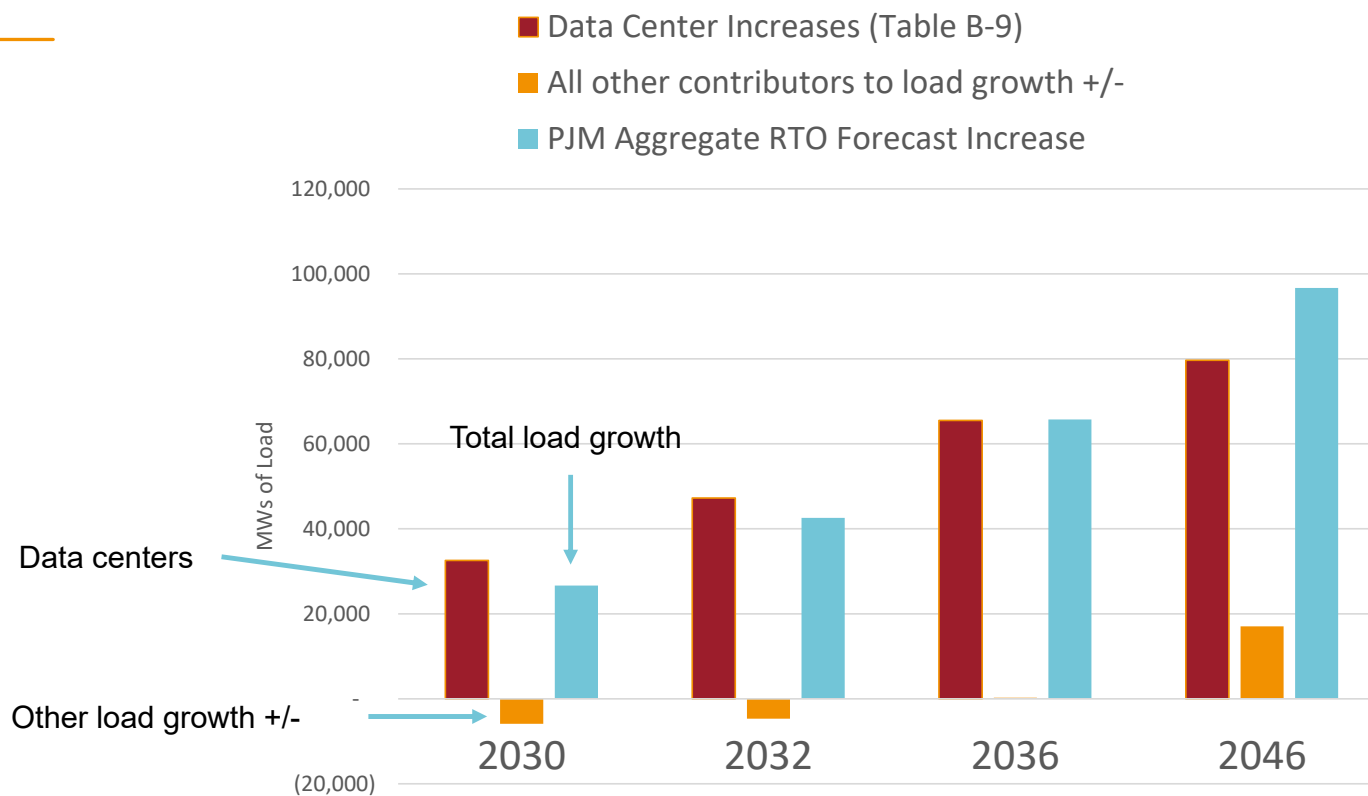
Other Activity

At the PSC

At PJM and the Federal
Energy Regulatory
Commission

Other Considerations

Data centers are driving increased demand.

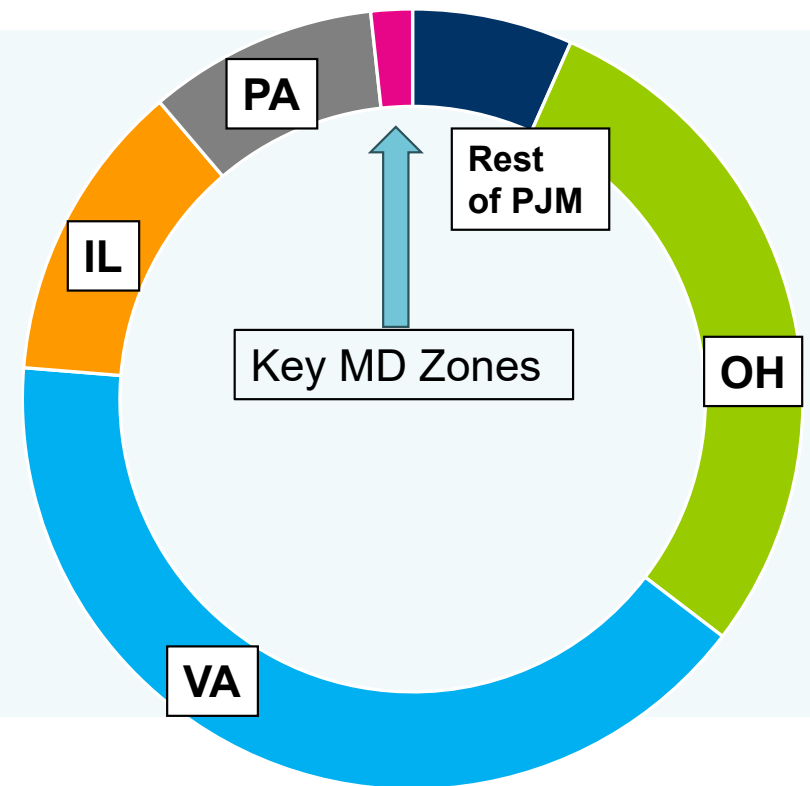


Other Considerations

Data center load growth is largely outside of Maryland.

- Key Maryland zones (Delmarva, Pepco, BGE): 2% of PJM's projected growth—**1,500 MWs**
- Virginia (41%), Ohio (29%), Pa. (9%), Illinois (12%); rest of PJM (7%)—**85,800 MWs**

2046 PJM Large Load Adjustments



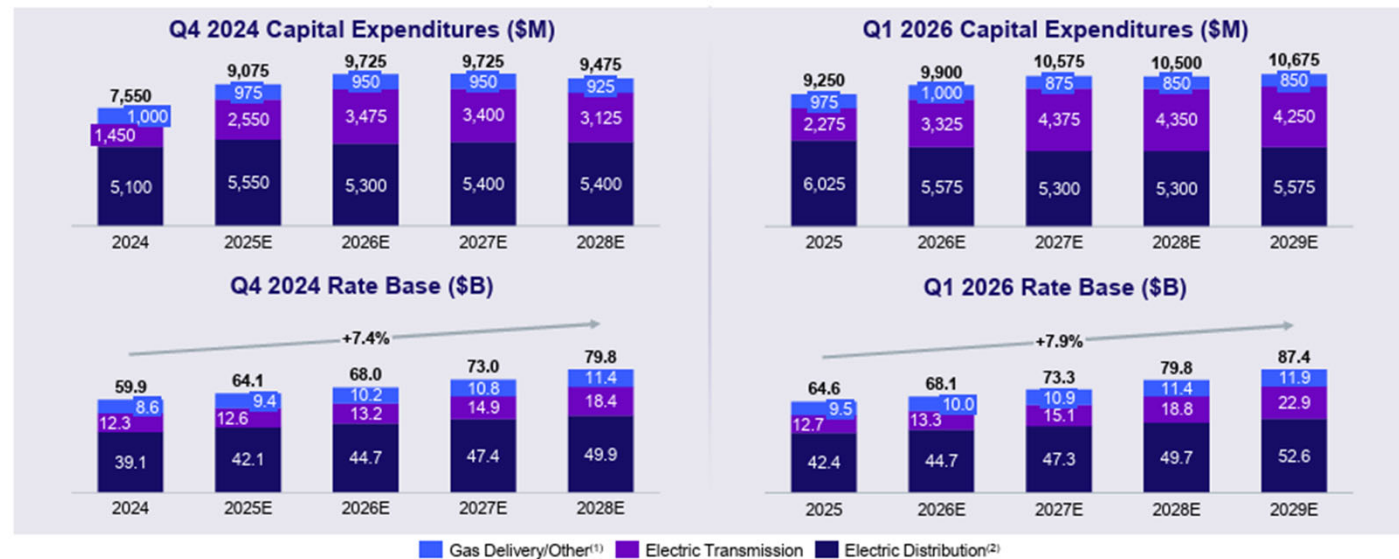
Source: PJM 2026 load forecast

Other Considerations

Utilities generate profits from capital investments, not operations and maintenance.



Utility Capex and Rate Base vs. Q4 2024 Disclosures



Planning to invest \$41.7B of capital from 2026-2029 for the benefit of our customers, supporting projected rate base growth of 7.9% from 2025-2029

Note: Numbers rounded to nearest \$25M and may not sum due to rounding. Rate base reflects year-end estimates and does not include Construction Work In Progress (CWIP), which earns an AFUDC return. Q4 2024 disclosures dated February 12, 2025. Q1 2026 disclosure dated May 6, 2026.

(1) "Other" only applies to rate base and includes ComEd's long-term regulatory assets (Energy Efficiency & Distributed Generation Rebate program) recovered under separate tariffs, which earn a full authorized Rate of Return. See Note 2 - Regulatory Matters in 2025 10-K for additional detail.

(2) Electric distribution rate base includes regulatory assets that earn a full authorized Rate of Return; regulatory asset spend not reflected in capital spend projections.

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What's next?

Resources

- [Utility Rates and Basics](#) (including videos on how to read your bill)
- [FERC & PJM Issues](#) (including resource adequacy, data centers & more)
- [Energy Education Webinars](#)
- [Consumer's Guide to BGE's Proposed Electric Rate Increase](#)
- [Subscribe to OPC's newsletter and press releases](#)
- [Get Help](#)

Questions?

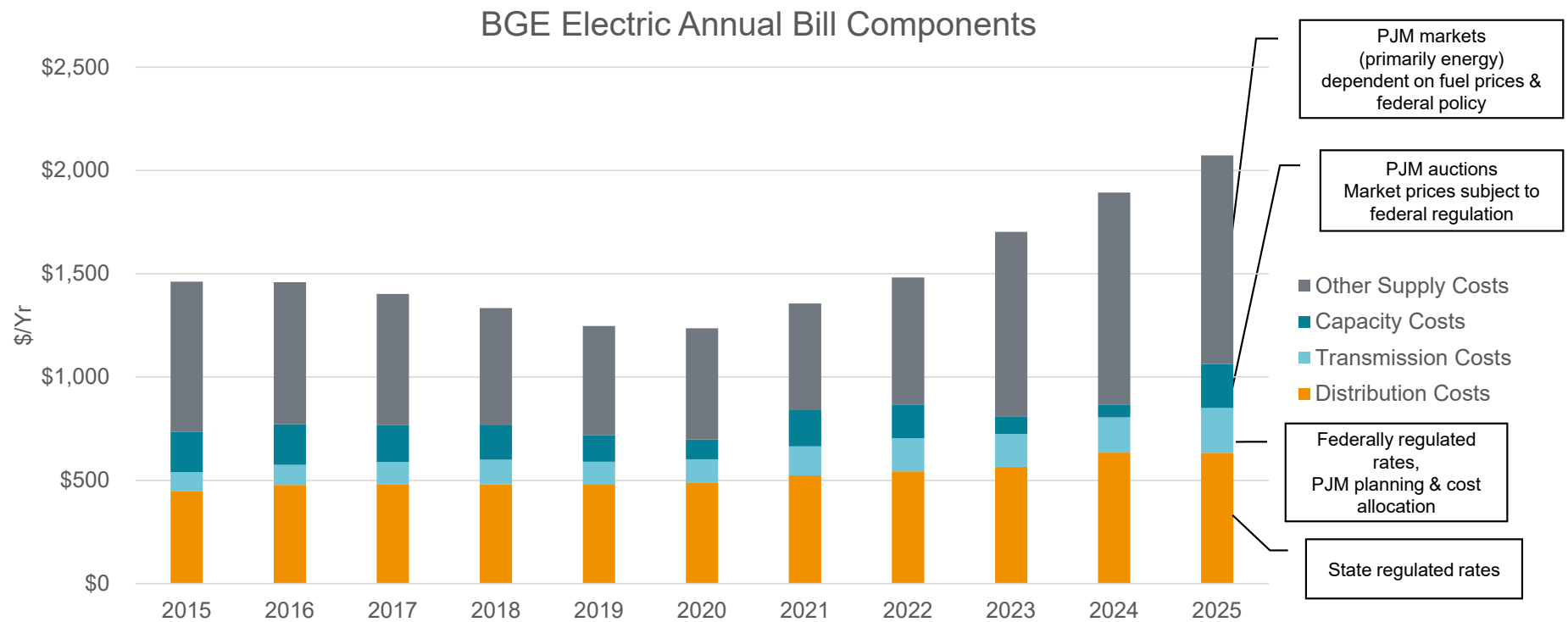
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APPENDIX

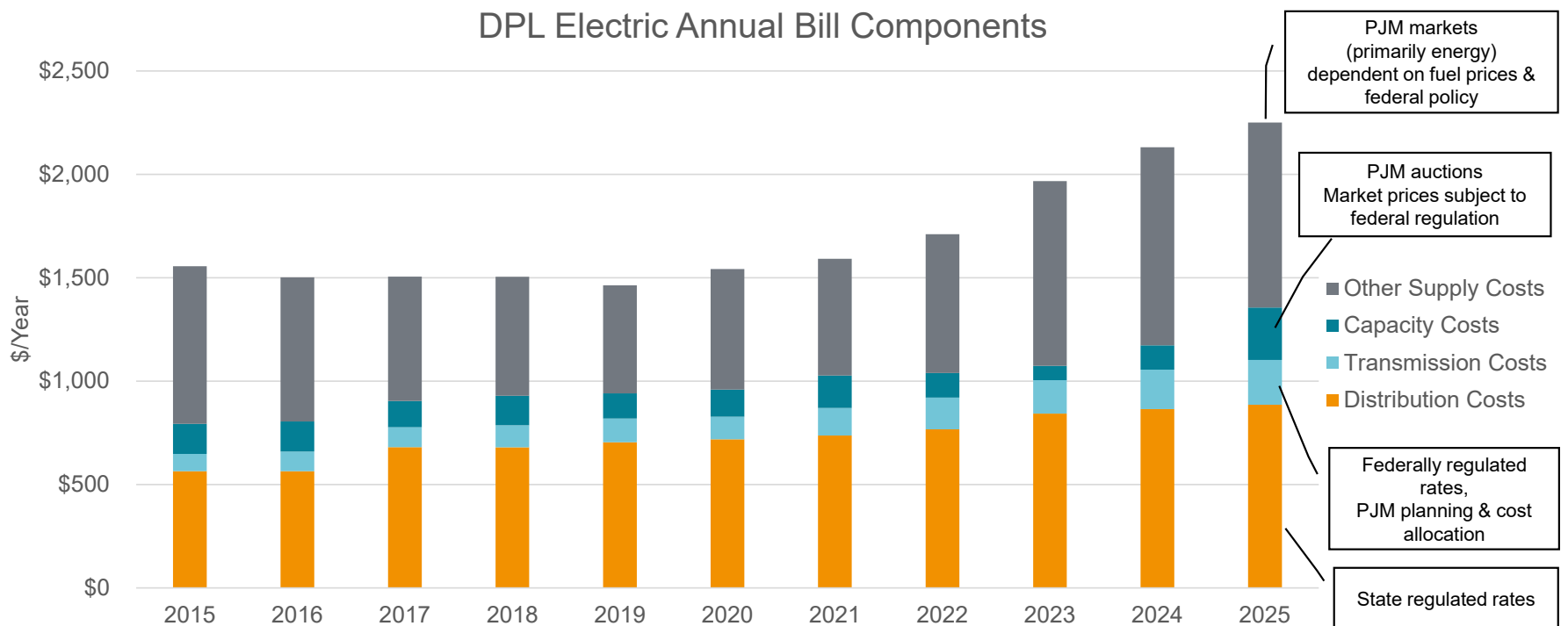
Electric Bill Components (BGE)



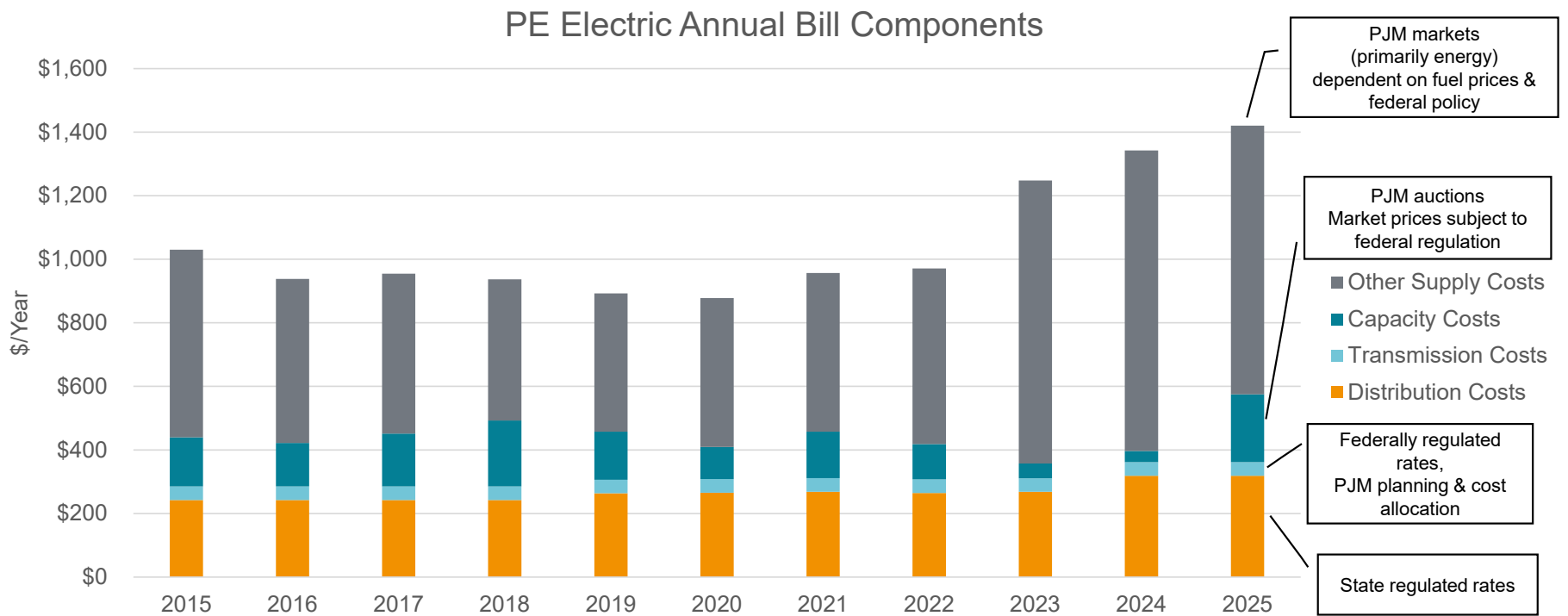
Source: OPC compilation based on publicly available data, based on usage of 900 kWh/month.

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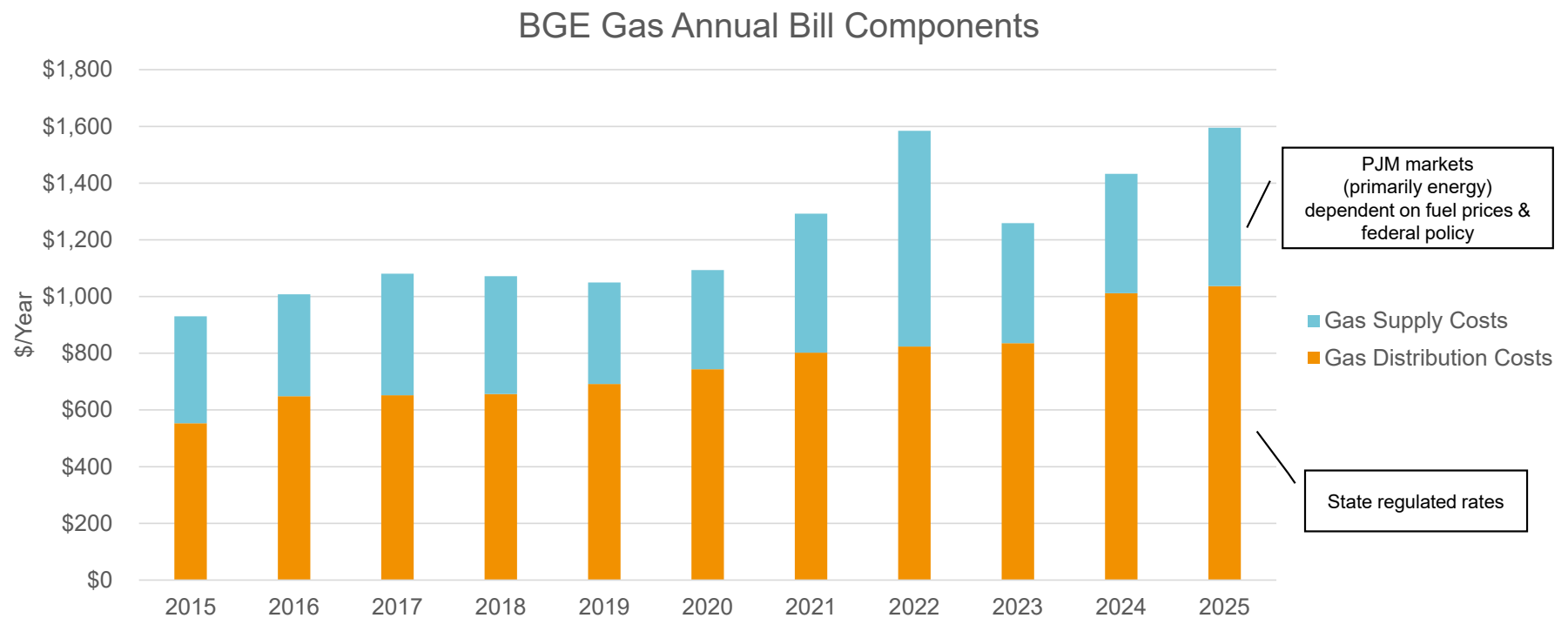
Electric Bill Components (Delmarva)



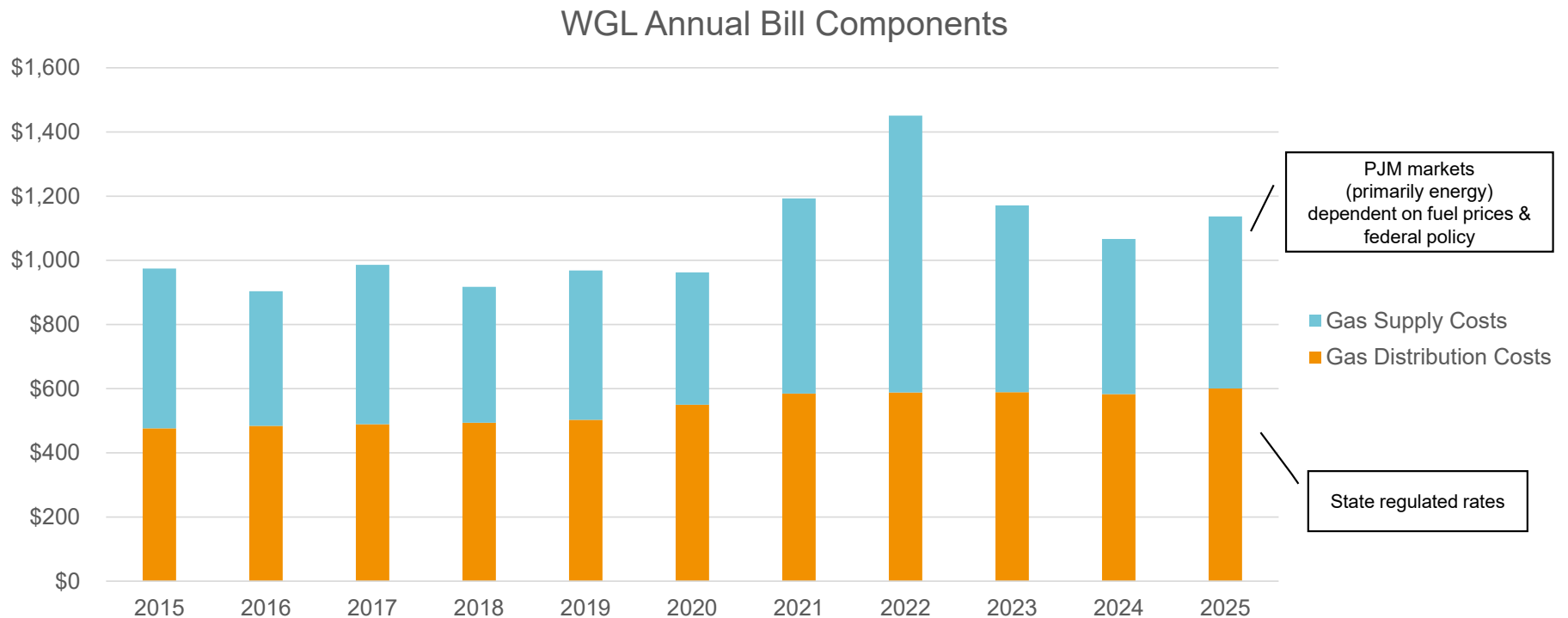
Electric Bill Components (Potomac Edison)



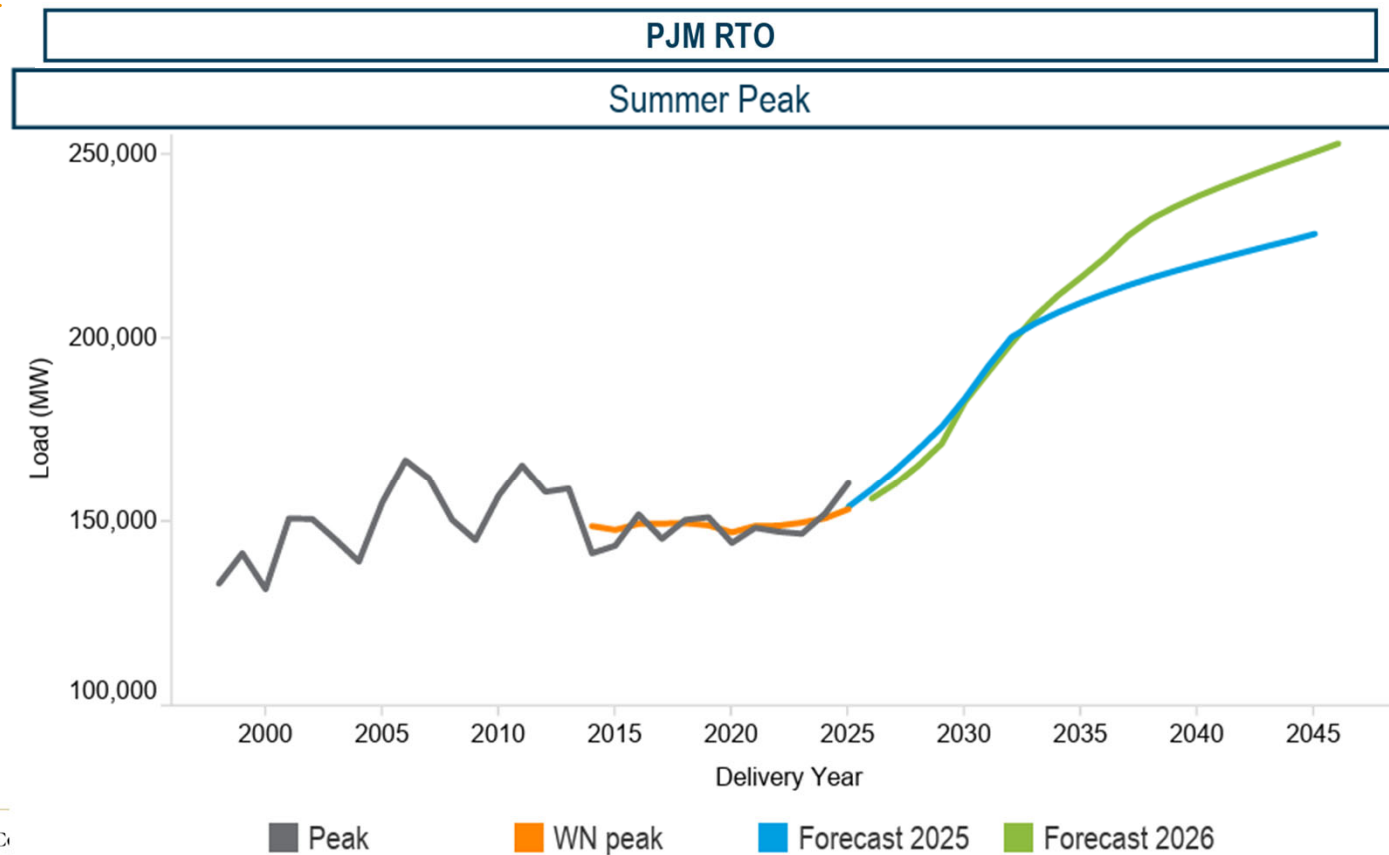
Gas Bill Components (BGE)



Gas Bill Components (Washington Gas)

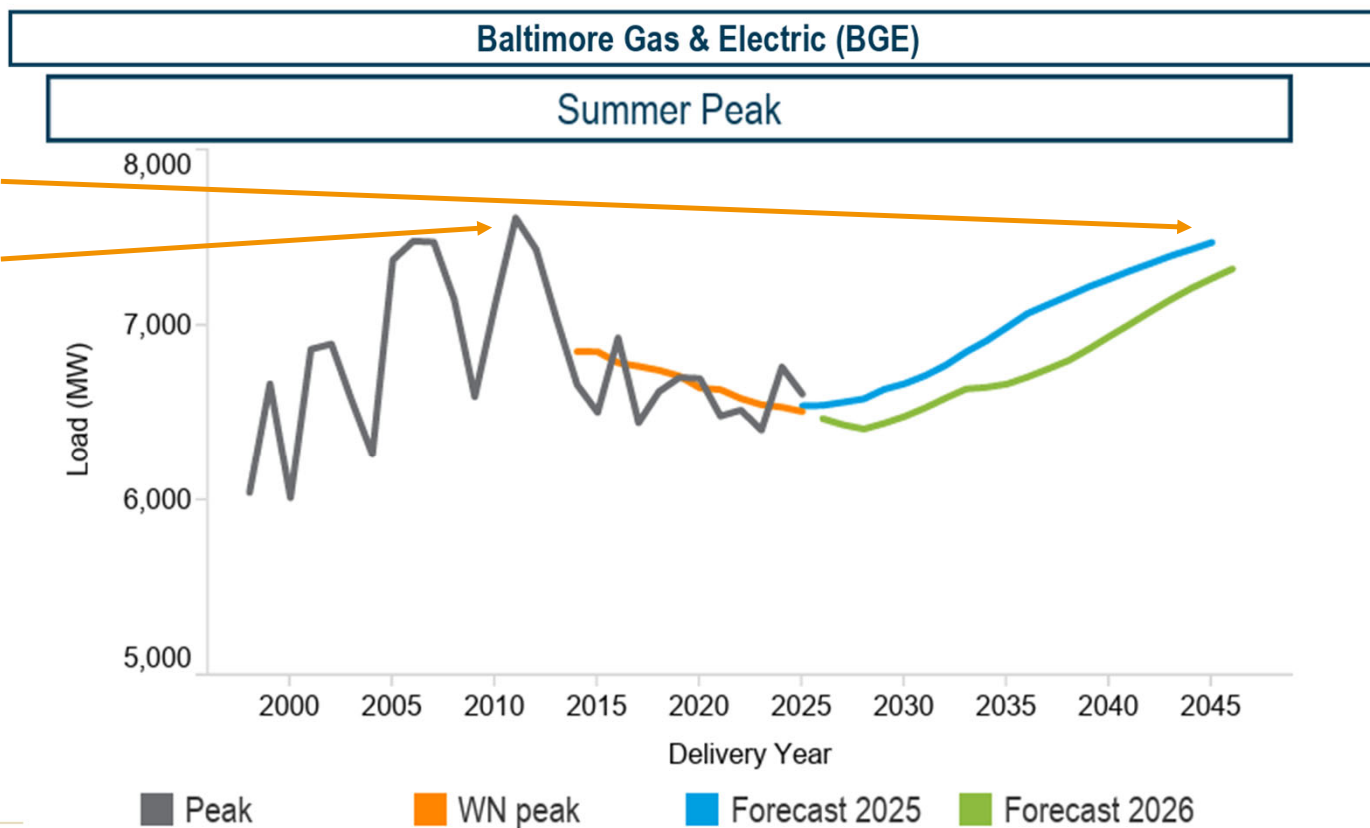


PJM-Wide Forecasted Load Growth (2026 Forecast)



Unlike PJM, Maryland utilities show modest load growth. (BGE illustration)

PJM projects BGE's peak load in 20 years will be less than its peak was 15 years ago.



Forecasted Load Growth for Maryland's Exelon Utilities (2025 vs 2026)

2025 Load Forecast (MWs)

	2026	2027	2028	2029
BGE	6,547	6,565	6,584	6,639
Delmarva	3,997	3,992	3,992	3,996
Pepco	6,095	6,113	6,130	6,150

2026 Load Forecast (MWs)

	2026	2027	2028	2029
BGE	6,471	6,436	6,412	6,445
Delmarva	4,008	3,986	3,971	3,958
Pepco	6,003	5,992	5,980	5,989

For example, PJM's forecast for BGE for 2029 is 194 MWs lower in 2026 than its forecast was in 2025:

$$6,445 \text{ MWs} - 6,639 \text{ MWs} = -194 \text{ MWs}$$

	2026	2027	2028	2029
BGE	-76	-129	-172	-194
Delmarva	11	-6	-21	-38
Pepco	-92	-121	-150	-161

CapEx (Cost Recovery + Profits) vs. O&M (Cost Recovery Only)

Capital Expenditures (CapEx)

- Poles & Wires
- Pipes
- Substations
- Trucks
- Computers

Operations and Maintenance (O&M)

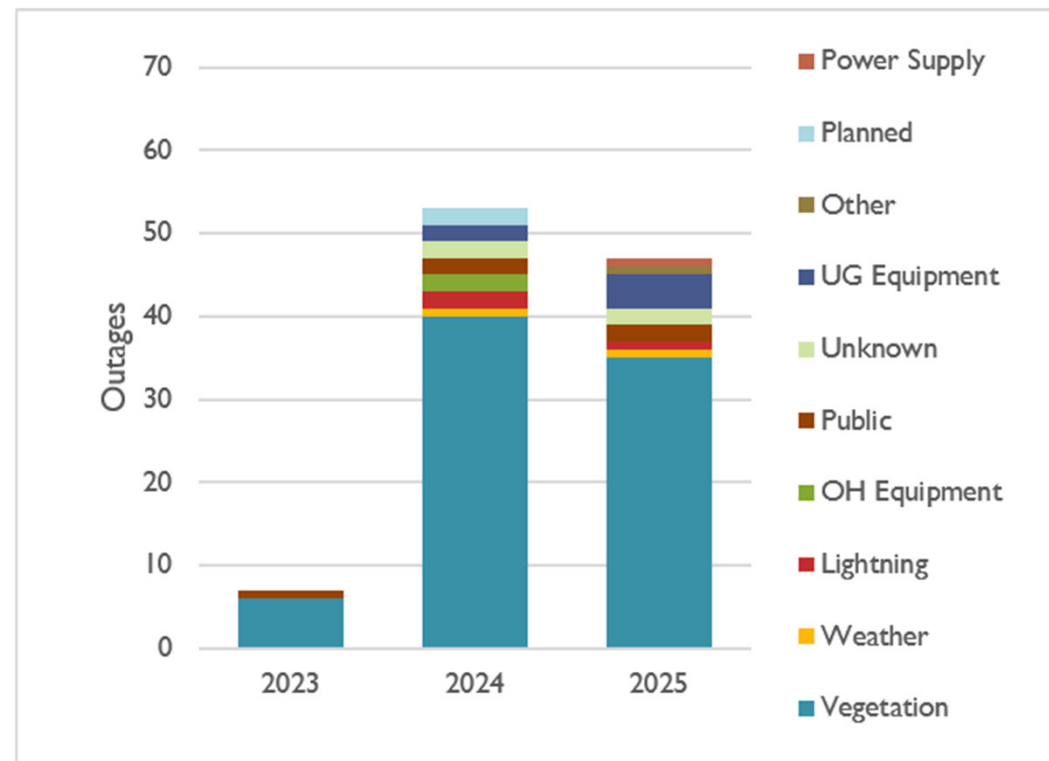
- Vegetation management
- Employee salaries
- Fuel
- Repairs
- Office and facility expenses
- Customer service
- Billing and meter reading

CapEx vs. O&M Illustration

For one of Delmarva's poorest performing feeders for 2023-2025, vegetation was the dominant cause of outages. Instead of enhancing vegetation management, Delmarva spent more than \$1 million replacing poles, reconductoring, and installing reclosers—capital investments.

“At best, this suggests inattention to lower cost O&M alternatives. At worst, this raises a concern about a deliberate preference for CapEx over non-return-earning O&M, to the detriment of customer service reliability.”

Delmarva Feeder (power line) MD0343: Outage Events by Cause



Source: OPC's 7/10/26 comments on 2025 annual reliability performance reports, filed in PSC Case No. 9353.