

# THE P3 GROUP

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For Immediate Release – March 3, 2009

## P3 Opposes Re-regulation of Maryland Electricity Generation Market

**ANNAPOLIS, MD** – PJM Power Providers (P3) Group President Glen Thomas today testified before the Maryland State Senate Finance Committee in opposition to re-regulation of the Maryland electricity generation market. Mr. Thomas, who is the former chairman of the Pennsylvania Public Utility Commission, is now president of P3, a non-profit consortium of power providers that support the development of properly designed and well functioning energy markets in the PJM region.

Proponents of re-regulation “forget the many reasons that led to competition in the first place,” Thomas testified. “Inefficient plants, cost overruns and poor operating performance were all hallmarks of the regulated electricity industry.... Utility companies had little motivation to lower costs, and, in many cases, were actually incented to increase costs. Nationally, this...created over \$100 billion in “stranded costs” and saddled ratepayers with costs that competition could have avoided.”

Thomas pointed out that several regulated states have or are currently facing double-digit rate increases. “In Kansas and Missouri, the Kansas City Power and Light is asking for a 71.6 million and \$102 million increase, respectively, that would amount to a 17.5% rate increase for residential customers in each state,” according to his testimony. “In Alabama, customers are experiencing a 13% increase after the Alabama Public Service Commission recently allowed two separate rate increases for the Alabama Power Company over a three-month period. These increases amount to the largest rate increases since 1982 for Alabama residential customers.”

A complete copy of the testimony is attached.

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*About PJM Providers Group (P3)*

Combined, P3 members own more than 75,000 megawatts of power and over 51,000 miles of transmission lines in the PJM region, serving nearly 12.2 million customers. For more information, please go to: [www.p3powergroup.com](http://www.p3powergroup.com).