

Testimony of the PJM Power Providers Group

Before the Maryland House Economic Matters Committee

House Bill 600 - Oppposed

February 14, 2019

The PJM Power Providers Group (P3) is a non-profit organization made up of power providers whose mission it is to promote properly designed and well-functioning competitive wholesale electricity markets in the 13-state region and the District of Columbia served by PJM Interconnection. Combined, P3 members own more than 84,000 megawatts of generation assets in PJM, produce enough power to supply over 20 million homes and employ over 40,000 people.¹

P3 supports competitive generation markets and believes that consumers benefit when generators compete to serve the needs of consumers. Consumers empowered by choice will drive innovation as they force the market place to respond to their preferences. P3 does not support efforts that mandate that consumers purchase energy from certain technologies.

House Bill 600, if enacted as currently written, would expand Maryland Renewable Energy Portfolio Standard by allowing nuclear energy to qualify as a Tier 1 Resources. Given the dramatic drop in the costs of renewable energy in recent years, expanding the RPS at this time would be a very short-sighted decision. Maryland should instead to look to reduce consumer mandates and drive efficiency by liberating consumers to shop for their generation of choice.

Maryland's electricity rates are high compared to neighboring states such as Pennsylvania and Virginia. In fact, average retail electricity rates in Maryland were 30% higher than Virginia and

¹The comments contained in this filing represent the position of P3 as an organization, but not necessarily the views of any particular member with respect to any issue. For more information on P3, visit www.p3powergroup.com



20% higher than Pennsylvania in 2017.² Efforts to limit market opportunities for consumers by expanded RPS policies will only further increase costs to consumers and further separate Maryland's electricity rates from its regional competitors.

P3 urges the Committee to reject House Bill 600.

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² http://www.neo.ne.gov/statshtml/204.htm