via electronic filing

Andrew S. Johnston
Executive Secretary
Maryland Public Service Commission
6 Saint Paul Street, 16th Floor
Baltimore, Maryland 21202-6806

Re: One Big Beautiful Bill Act of 2025, Administrative Docket PC 73

Dear Mr. Johnston,

The following comments are respectfully submitted by the Maryland League of Conservation Voters, Center for Progressive Reform, and Earthjustice in response to the Commission's July 29, 2025 Notice Convening a Public Conference and Request for Comments.

Thank you for the opportunity to comment on Administrative Docket PC 73. We appreciate the PSC's attention and their consideration of state opportunities to account for federal tax credits for renewable energy and storage resources, which will be expiring early after the passage of HR 1, the One Big Beautiful Bill Act ("OBBBA"). As federal tax credits are phased out and federal support for renewables dissipates more broadly, it is critical for Maryland to move expeditiously to take advantage of these time-limited federal funding sources. This urgency is compounded by rising electricity rates in the region. Action to maximize the build out of renewable projects during the remaining time window for tax credits will be crucial to bring lowest-cost generation options online to benefit Maryland ratepayers, and to take advantage of sunsetting federal support for achieving Maryland's climate targets as codified under the Climate Solutions Now Act.

Specifically, OBBBA ends solar and wind tax credits for projects placed into service after 2027, unless construction for the project begins on or before June 4, 2026, with storage tax credits beginning a phase out in 2033. This represents a significantly short timeline for projects in Maryland to either begin construction or become operational. Support for maximizing tax-credit availability by the Commission is therefore critical not only to bring these projects online during the tax-credit window, but also to demonstrate Maryland's commitment to the renewable industry to foster continued construction of renewables in coming years.

One tangible and immediate action the PSC can take is to initiate the RFP process for 800 MW of transmission-connected energy storage projects that was included in the 2025 Next Generation Energy Act. The legislation includes a January 1, 2026 deadline for issuing the RFP, but the PSC has discretion to act earlier.¹

¹ Md. Code Ann. *Pub. Utils*. § 7-1224(B), as enacted by the Next Generation Energy Act, MD HB1035 (2025).

Moving this RFP process forward will provide the opportunity to significantly reduce energy bills in Maryland. These projects will be constructed in Maryland, and serve Maryland's peak demand— alleviating the need for comparatively more expensive "peaker" plants. These projects are also eligible to bid into the PJM capacity market which can, in part, alleviate soaring capacity market costs.

We recommend the PSC issue this RFP in October 2025 and approve qualifying projects by January 2026, significantly expediting storage and energy development in Maryland. Coming in conjunction with wind and solar projects seeking to come online quickly to meet deadlines for expiring tax credits, this will also increase grid reliability and stability as the region seeks to meet rising demand.

We also strongly suggest that the Commission prioritize review of CPCN applications for solar projects and storage projects that are feasibly achievable by either the June 4, 2026 construction or January 1, 2027 operational deadlines for tax-credit availability. In effect, creating a "priority" queue for these projects to maximize the likelihood of them coming online to serve Maryland's electric demand with the benefit of tax credits to ensure the lowest cost to ratepayers in the state. We also recommend that the Commission prioritize establishing CPCN processes for distributed projects and PPAs under the Renewable Energy Certainty Act. Although the PSC is not directed by law to enact such procedures until December 1, 2026, early enactment would maximize Maryland's ability to utilize expiring federal tax credits.

State leadership on clean energy is critical. Solar and wind energy are two of the most cost effective, easiest to deploy, and cleanest options for energy generation today. Increasing battery storage on the grid increases their effectiveness. The PSC can support bringing new renewable and storage projects online to stabilize the grid while decreasing carbon emissions, bringing a number of economic, environmental and health co-benefits to the state.

Thank you for your consideration.

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