

JASON M. STANEK
CHAIRMAN

MICHAEL T. RICHARD
ANTHONY J. O'DONNELL
ODOGWU OBI LINTON
MINDY L. HERMAN



PUBLIC SERVICE COMMISSION

December 29, 2021

The Honorable Lawrence J. Hogan
Governor
State House
Annapolis, MD 21401

Dear Governor Hogan:

On behalf of the Maryland Public Service Commission (“PSC”), I am providing this letter in response to the directive under State Environmental Article § 2-1305 that certain state agencies, including the PSC, report annually on the status of programs that support the State’s greenhouse gas reduction efforts or address climate change. This requirement was provided for as part of the law governing the Maryland Commission on Climate Change (“MCCC”), which was enacted during the 2015 legislative session under House Bill 514. The requirement directs various state agencies to submit annual progress reports surrounding the implementation of climate change programs to both the Governor and the MCCC.

As noted in our 2015 committee testimony regarding House Bill 514, and again by letter in 2016, the PSC is not defined as a “lead agency” on any of the energy sector reduction strategies enumerated in the State’s 2030 Greenhouse Gas Reduction Act Plan (“GGRA Plan”).¹ In the GGRA Plan, with regard to Core Programs, the Maryland Energy Administration is the “lead agency” for EmPOWER Maryland and the Renewable Energy Portfolio Standard (“RPS”), while the Maryland Department of the Environment is the “lead agency” for the Regional Greenhouse Gas Initiative (“RGGI”). While the PSC makes its technical expertise available at the MCCC’s meetings, we do not advocate for or otherwise influence the State’s implementation of its GGRA Plan, given the we are an independent, quasi-judicial agency that may ultimately be responsible for adjudicating such matters.

In 2016, my predecessor, Chairman W. Kevin Hughes, submitted a letter explaining the PSC’s position on the §2-1305 reporting requirement and requested that his letter be considered as satisfying the PSC’s reporting obligation. He noted that the PSC has separate annual reporting requirements to the General Assembly regarding the status of EmPOWER Maryland and implementation of the RPS. Since 2016, the PSC has provided copies of our annual reports and the Department of Legislative Services has consistently accepted these reports and included them with the other state agencies’ §2-1305 reports.

¹ It was noted in this 2016 letter that the bill sponsor for House Bill 514 intended to remove the PSC from the bill’s reporting requirements, by amendment, but this revision was inadvertently overlooked.

During the 2021 legislative session, the General Assembly enacted House Bill 298, which took effect on October 1, 2021. This new law requires the PSC to consider climate impacts, Maryland's climate policies, and fair labor standards in exercising the Commission's regulatory oversight over public service companies. The law also requires the PSC to consider the climate effects on generating station and transmission projects prior to granting a Certificate of Public Convenience and Necessity. Since the law took effect, the PSC has not been presented with any matters involving climate impacts. Beginning in 2022, the PSC can provide a description of activities from the previous calendar year that address climate impacts and/or bear on the State's climate policies. For this year's reporting requirement under State Environmental Article §2-1305, I respectfully request that you find this letter, along with the PSC's most recent submission of the EmPOWER Maryland Report and RPS Report to satisfy the PSC's reporting requirement.

Please do not hesitate to reach out if you have questions on these matters.

Sincerely,

/s/ Jason M. Stanek

Jason M. Stanek
Chairman