## HB121/SB37 Utility Transparency and Accountability Act

## What is PJM and how does it affect Maryland energy issues?

Maryland is one of 13 states and the District of Columbia served by the Regional Transmission Organization (RTO) known as PJM. PJM is the largest RTO in the US and serves 65 million people. All of Maryland's electricity flows through PJM's regional transmission grid. PJM manages our grid, ensures grid reliability, maintains the transmission system, and prepares the grid for new energy sources. PJM comprises 1,090 member organizations including electricity generators, transmission owners, and utility companies.

Overall, having an independent regional entity overseeing the grid provides efficiencies that benefit Maryland consumers. However, decisions made at PJM can significantly impact our utility rates and determine how quickly progress is made in meeting our climate goals. PJM's authority over our grid and electricity transmission system is complicated by its opaque decision-making process that lacks an accountability structure for those who make the decisions.

PJM's past decisions have kept fossil fuel generators running longer, slowed down the transition to renewables, and unnecessarily increased costs for our ratepayers.

What are PJM's committees and what information is currently available about PJM voting results? There are four ongoing <a href="Lower-level">Lower-level</a> standing committees: <a href="Operating Committee">Operating Committee</a>, <a href="Planning Committee">Planning Committee</a>, <a href="Reliable-level">Risk Management Committee</a>, and <a href="Market Implementation Committee">Market Implementation Committee</a>. It is difficult to fully account for all of PJM's lower-level committees, however, since some are subcommittees or exist temporarily for specific processes. None of the individual voting data at the lower committee levels is public; the only information publicly available is the overall percentages of votes each proposal received.

The lower-level committees are responsible for designing the proposals that advance to the upper-level committees. Recent issues have included:

- developing\_ a <u>process to transfer the ability to interconnect</u> at a certain point in the grid from retiring plants to new resources (considered by the <u>Planning Committee</u>)
- modifying <u>rules for retiring plants</u> (considered by the <u>Deactivation Enhancements Senior Task</u> Force).

There are two <u>upper-level</u> committees that vote on the proposals presented by the lower committees: the <u>Markets and Reliability Committee</u> and <u>Members Committee</u>. These upper-level committees are slightly more transparent. The Markets and Reliability Committee reports votes by sector, but not the votes of individual firms. Only the Members Committee reports individual firm votes in addition to sector-weighted votes.

## This bill will:

✓ Require a public record of all PJM votes cast by Maryland public utility companies. This information is currently private, so the public has no way of knowing what their state-regulated, public utility companies are advocating for or against at PJM

Phone: 410-841-3423