COMMISSIONERS

JASON M. STANEK CHAIRMAN

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

For Immediate Release



CONTACT: Tori Leonard 410-767-8054 443-829-9111 (c) tori.leonard@maryland.gov

Maryland PSC Approves Settlement in Transource Case

Decision allows both Maryland segments to proceed, subject to Pennsylvania approval

(BALTIMORE, MD-June 30, 2020) – The Maryland Public Service Commission has approved a settlement agreement in the application of Transource Maryland, LLC to build two new 230 kV overhead transmission lines crossing from Maryland into Pennsylvania—a proposal known as the Independent Energy Connection (IEC) Project. A proposed settlement concerning the Pennsylvania portions of the IEC Project is currently pending regulatory approval before the Pennsylvania Public Utility Commission.

Under the terms of the Maryland settlement agreement, Transource will build a 4.5-mile western portion of the project, from Washington County to a substation in Pennsylvania. Baltimore Gas and Electric Company will build the 6.6-mile eastern portion of the project, comprised of two transmission line segments from substations in Harford County to a substation across the border into Pennsylvania. The Harford County segment of the project will also cross portions of Baltimore County and was redesigned from the original proposal in order to avoid greenfield construction by using BGE's existing utility infrastructure and rights-of-way. Together, the western and redesigned eastern portions of the project are known as Alternative Project 9A.

In its order, the Commission concluded that "the Maryland portions of the proposed transmission line project, as reconfigured, will address existing and future regional congestion issues, as well as Maryland and regional reliability needs, while reducing the project's impacts on Maryland's agricultural, environmental, and natural resources."

In 2016, the regional grid operator, PJM, identified the IEC Project as a solution to relieve persistent economic congestion on sections of the regional transmission system. Transource filed its applications with the Maryland and Pennsylvania regulatory commissions in 2017. "The Commission finds that this project will provide benefits to Maryland ratepayers, including enhanced reliability of electricity service and greater access to least cost energy from elsewhere within PJM, while also accommodating future development of renewable technologies such as offshore wind," said Jason Stanek, Chairman of the Maryland Public Service Commission.

Parties to the settlement agreement include Transource, the Power Plant Research Program, the Commission's Technical Staff, Baltimore Gas and Electric Company, Harford County, and landowner parties, including the group STOP Transource Maryland.

The Maryland Commission has directed that Transource and BGE minimize all construction activities and additional construction-related costs, as they relate to the Maryland portions of the IEC Project, pending the regulatory approvals of Alternative Project 9A by the Pennsylvania Public Utility Commission and final approval by the PJM Board.

###

About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.

Follow us on Twitter: <u>@MarylandPSC</u>

Like us on Facebook: <u>Facebook.com/MarylandPSC.gov</u> Watch us on YouTube: <u>Maryland PSC</u>

 WILLIAM DONALD SCHAEFER TOWER
 6 ST. PAUL STREET
 BALTIMORE, MARYLAND 21202-6806

 410-767-8000
 Toll Free: 1-800-492-0474
 FAX: 410-333-6495

 MDRS: 1-800-735-2258 (TTY/Voice)
 Website: www.psc.state.md.us