COMMISSIONERS

FREDERICK H. HOOVER, JR. CHAIR

MICHAEL T. RICHARD KUMAR P. BARVE BONNIE A. SUCHMAN ODOGWU OBI LINTON STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

June 25, 2025

*

Large Load Customer Regulations and Tariffs Interconnecting to the Electric System Servicing Maryland Administrative Docket PC 72

* * * * *

<u>NOTICE CONVENING A PUBLIC CONFERENCE</u> <u>AND ESTABLISHING A WORK GROUP</u>

During the 2025 legislative session, the Maryland General Assembly passed Senate Bill 937 ("SB 937") / House Bill 1035 ("HB 1035"), known as the "Next Generation Act." The statute was signed into law on May 20, 2025 by Governor Wes Moore.¹ The statute requires, among other things, the establishment of regulations and tariffs that address "Large Load customers"² interconnecting to the electric system serving the State.³

Pursuant to Section 4-212(c)(1)(i) of the statute, each investor-owned electric company and cooperative shall submit to the Commission for approval a specific rate schedule for large load customers that accomplishes the intent of subsection (b), which provides "it is the intent of the General Assembly that residential retail electric customers in the State should not bear the financial risks associated with large load customers interconnecting to the electric system serving the

```
<sup>3</sup> PUA § 4–212.
```

¹ Electricity and Gas – Emissions Reductions, Rate Regulation, Cost Recovery, Infrastructure, Planning, Renewable Energy Portfolio Standard, and Energy Assistance Programs, SB 937 (2025).

 $^{^{2}}$ A large load customer is defined as a commercial or industrial customer for retail electric service that: (i) has or is projected to have an aggregate monthly demand of at least 100 megawatts; and (ii) has or is projected to have a load factor of over 80%. PUA § 4–212 (A)(3).

State."⁴ Municipal electric utilities are required to submit proposed tariffs only if an application from a large load customer is received.

Additionally, the Commission is required to adopt regulations to carry out the section of statute and these regulations shall:

- a. establish minimum notice requirements and deadlines related to load study requests and contract terminations and adjustments;
- b. if considered necessary by the Commission, specify common forms of acceptable collateral to satisfy the requirements of this section; and
- c. establish deadlines related to completion of load studies and payment of fees.⁵

Accordingly, the Commission hereby initiates Public Conference 72 ("PC 72") for the use of collecting data and establishes a Work Group ("WG") to propose regulations on Large Load Customers and Tariffs interconnecting to the electric system services in Maryland. The Commission appoints Drew McAuliffe, Director of the Commission's Electricity Division, as the WG leader. Participants shall email <u>drew.mcauliffe@maryland.gov</u> by July 15, 2025 designating a representative to the WG.

The WG shall develop proposed regulations required by the statute. Additionally, the WG is directed to deliberate and make recommendations to the Commission regarding the other requirements of PUA § 4–212. The WG shall file proposed regulations and recommendations regarding implementation of PUA § 4–212 by December 6, 2025.

Staff is further directed to provide a proposed work plan for work group proceedings 30 days after the issuance of this Order. To the extent Staff believes a different schedule is appropriate

⁴ PUA § 4–212 (b).

⁵ PUA § 4–212F describes the regulations that must be established by the Commission as part of the approval process.

Notice Convening PC 72 & Establishing a Work Group June 25, 2025 Page 3 of 3

to meet the dates for regulations and tariffs, Staff may provide an alternative work plan for Commission approval within 30 days of issuance of this Order.

By Direction of the Commission,

/s/ Andrew S. Johnston

Andrew S. Johnston Executive Secretary