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PUBLIC SERVICE COMMISSION

March 19, 2024

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Federal Grant Opportunities for Utilities under the Infrastructure Investment and Jobs Act Administrative Docket PC56

NOTICE OF PUBLIC HEARING AND OPPORTUNITY TO COMMENT

On November 15, 2021, the President of the United States signed into law the Infrastructure Investment and Jobs Act (or "IIJA"). The IIJA provides for, *inter alia*, substantial investment of federal funds in utility infrastructure, including grid resiliency and reliability, electric generation and transmission, access to clean water, and improved cybersecurity.

On August 16, 2022, the President also signed into law the Inflation Reduction Act of 2022 ("IRA"), providing for substantial additional climate and energy funding. In the time since, the federal government has initiated and disbursed significant funding under the various programs of both the IIJA and the IRA.

Subsequent to the passage of the IIJA, the State of Maryland enacted the Climate Solutions Now Act of 2022 ("CSNA"), requiring the Public Service Commission ("Commission") and the Maryland Energy Administration ("MEA") to assist and support the electric companies of the State in applying for and obtaining access to federal and other available funds to meet the State's policy goals for the electric distribution system. The CSNA also requires MEA to identify funding sources that may be available to electric companies to implement the State's policy goals under, Public Utilities Article ("PUA"), *Annotated Code of Maryland*, § 7-802. The CSNA strongly encourages the electric companies of the State to pursue relevant federal funding applications and requires them to report on such efforts to the Commission.

Acting on a petition by the Maryland Office of People's Counsel, the Commission, on June 29, 2022, issued Order No. 90272, initiating Public Conference 56 ("PC56") concerning Federal Grant Opportunities for Utilities under the Infrastructure Investment and Jobs Act. The Order directed each electric and gas public service company under the Commission's jurisdiction to identify and file, in the PC56 docket, a monthly report on IIJA funds applied for, the purpose for which such funding would be used, its connection to state policy goals and the company's existing distribution plan, the status of any funding applications, and any conditions that must be met to obtain funding.

Because over 18 months have passed since the passage of the IIJA, IRA, and CSNA, as well as the initiation of PC56, the Commission finds it appropriate to review and evaluate the progress and success of the companies in their applications for federal funding.

Accordingly, the Commission hereby directs each company subject to Order No. 90272 to submit comments by May 1, 2024, summarizing its efforts to procure federal funding since the issuance of Order No. 90272, evaluating its relative successfulness in procuring such funding, and discussing the extent to which such efforts and relative successfulness align with its existing distribution plan and with state policy goals stated under PUA §§ 7-802 and 7-803. The filings directed by this Notice are in addition to existing reporting requirements under Order No. 90272.

The Commission additionally invites MEA to submit comments by May 1, 2024,

identifying funding sources available to electric companies to implement the State's policy goals under PUA §§ 7-802 and 7-803, as well as other comments relevant to the topics in this Notice.

The Commission further invites any other interested stakeholder to submit comments by May 1, 2024, on the covered electric and gas companies' efforts and relative successfulness in applying for and securing federal funding, as well as other comments relevant to the topics in this Notice. Thereafter, the Commission invites electric and gas companies and other stakeholders to file reply comments by May 22, 2024.

Comments shall be electronically filed in the PC56 docket on the Commission's website. Comments should be addressed to Andrew S. Johnston, Executive Secretary, Maryland Public Service Commission, William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, Maryland 21202.

The Commission additionally hereby provides notice of a legislative-style public hearing to be held on June 12, 2024, following the conclusion of the Commission's Administrative Meeting. The hearing will be livestreamed and held in-person in the Frank O. Heintz Hearing Room of the William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, Maryland 21202. Each company subject to Order No. 90272 is hereby directed to appear in-person.

Upon receipt of all written comments, replies, and public hearing, the Commission will consider any next steps.

By Direction of the Commission,

/s/ Andrew S. Johnston

Andrew S. Johnston Executive Secretary