



The State of Maryland

Executive Department

EXECUTIVE ORDER

01.01.2025.27

Building an Affordable and Reliable Energy Future

- WHEREAS, Maryland households and businesses face increasing and significant volatility in monthly energy bills driven in part by regional wholesale market dynamics, transmission congestion, outdated infrastructure spending, and global energy insecurity;
- WHEREAS, Electricity demand has rapidly increased while PJM, the private grid operator, has delayed approval of new low-cost generation. This has set up a situation where electricity demand may exceed required levels of supply as early as 2027;
- WHEREAS, Relieving transmission constraints, increasing capacity on existing lines, and accelerating cost-effective grid upgrades are necessary to stabilize bills, improve reliability, and unlock planned clean energy projects;
- WHEREAS, The State of Maryland has set ambitious goals under the Climate Solutions Now Act, the transition to a clean energy economy must be centered on affordability and reliability for Maryland's residents;
- WHEREAS, There are opportunities to optimize permitting processes, agency reviews, and site preparation to facilitate the deployment of shovel-ready energy projects necessary to close the projected capacity gap;
- WHEREAS, Maryland must act to remain competitive in attracting energy investment by promoting and developing new energy resources;
- WHEREAS, Traditional utility practices have not kept pace with modern grid needs, thus necessitating a shift toward a framework that rewards utilities for speed, affordability, and responsiveness to evolving customer needs;
- WHEREAS, Stabilizing energy costs, ensuring resource adequacy, and modernizing the electric grid are urgent economic imperatives required to maintain Maryland's competitiveness as a destination for business and industry; and

WHEREAS, Low-to-moderate income households in Maryland disproportionately bear the burden of high energy costs, requiring targeted state intervention to prevent energy poverty and ensure an equitable transition.

NOW, THEREFORE, I, WES MOORE, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, HEREBY PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

A. Purpose/Scope. This Order directs executive agencies to take immediate actions to stabilize utility bills, improve grid reliability and efficiency, provide recommendations to the Maryland General Assembly, and accelerate cost-effective energy deployment while maintaining affordability and reliability for the people and economy of Maryland.

B. Definitions.

1. "Agencies" means the Maryland Energy Administration (MEA); Department of Natural Resources (DNR); Department of Commerce (Commerce); Department of the Environment (MDE); Department of Human Services (DHS); Department of Transportation (MDOT); the Department of Planning (MDP), and the Department of Housing and Community Development (DHCD).
2. "Commission" means the Maryland Public Service Commission (PSC).
3. "Advanced Transmission Technologies (ATTs)" means Grid-Enhancing Technologies (GETs), and additional technologies subsequently specified or identified by MEA and the Power Plant Research Program (PPRP) for purposes of planning and implementation.
4. "Budget Billing" means a utility program that divides a customer's annual energy costs into predictable monthly payments.
5. "Non-Wire Alternatives (NWAs)" means grid solutions that use distributed energy resources, energy efficiency, or load flexibility to defer or replace the need for traditional transmission and distribution infrastructure upgrades.
6. "PJM" means the regional transmission organization PJM Interconnection, Inc.

C. Governance Structure.

1. **Energy Subcabinet.** There is hereby established an Energy Subcabinet (the "Subcabinet") to coordinate interagency policy and oversee the implementation of this Order.
 - a. The Subcabinet shall be chaired by the Director of the MEA. The following shall be members of the Subcabinet:
 1. The Secretaries, or their designees, of the Agencies defined at Section B 1, above;
 2. The Governor's Deputy Chief of Staff, as designated by the Governor; and
 3. Other Cabinet-level officials as designated by the Governor.
 - b. The Subcabinet shall meet at least quarterly to align state resources and ensure that energy policy decisions support the state's energy affordability, reliability, economic competitiveness, and environmental goals.
 - c. The Chair of the Subcabinet may establish subcommittees or workgroups that may meet between the Subcabinet's quarterly meetings.
 - d. The Subcabinet shall review and provide comments on:
 1. Major energy-related legislative or administrative concepts proposed by the Moore-Miller Administration; and
 2. Draft recommendations prepared pursuant to this Order.
 - e. The MEA shall provide primary staff support for the Subcabinet.
 - f. All units of the Executive Branch of State Government shall cooperate with the Subcabinet in carrying out its duties.
2. **Maryland Energy Advisory Council.** There is hereby established a Maryland Energy Advisory Council ("Council") to provide external stakeholder input to the Subcabinet.
 - a. The Council shall be Chaired by the Director of the Maryland Energy Administration.
 - b. The Chair shall invite representatives from:

1. The Speaker of the Maryland House of Delegates or their designee,
 2. The President of the Maryland Senate or their designee,
 3. The Maryland Public Service Commission (PSC)
 4. The Office of People's Counsel (OPC)
 5. Maryland Clean Energy Center (MCEC)
 6. Regulated utilities (electric, gas, municipal, cooperative),
 7. PJM Interconnection, Inc,
 8. Clean and renewable energy industries (solar, wind, geothermal, hydro, battery storage, and nuclear),
 9. Energy efficiency and demand response companies,
 10. Large energy producers,
 11. Organized labor,
 12. Consumer advocates,
 13. Environmental organizations,
 14. Large consumers of electricity,
 15. Local governments,
 16. Academic and technical experts,
 17. Business communities, and
 18. The agricultural sector.
- c. The Council shall identify barriers to the deployment of generation facilities and affordability, and provide recommendations to inform the MEA's work under this Order.
- d. The MEA shall provide primary staff support for the Council.
- e. Within 180 days of the issuance of this Order, the Council shall submit a memorandum to the Subcabinet identifying the most urgent challenges to energy affordability and reliability.

D. State Energy Planning and Legislative Coordination.

1. By January 16, 2026, the MEA shall submit written recommendations to the Speaker of the Maryland House of Delegates and the President of the Maryland Senate that:
 - a. Identify strategies to mitigate rate impacts associated with implementation of the State Energy Plan, including options to reduce bill volatility and protect low- and moderate-income customers;
 - b. Evaluate regulatory, administrative, and planning tools available to align implementation of the State Energy Plan with affordability, reliability, and economic competitiveness objectives; and
 - c. Outline considerations for any future legislative changes to the State Energy Plan framework needed to maintain affordability, reliability, and progress toward the State's energy and economic development goals.
2. The MEA shall transmit copies of these recommendations to the Governor and make a public-facing summary available consistent with applicable law and confidentiality requirements.

E. Consumer Affordability. To protect Maryland ratepayers from ever-increasing utility bills and volatility, the MEA is directed to take the following actions regarding the Public Service Commission:

1. **Budget Billing Program Review.** The MEA shall petition the Commission to open a proceeding to examine the design, transparency, and consumer protections of existing utility Budget Billing programs. The petition shall request that the Commission:
 - a. analyze the efficacy of Budget Billing in reducing month-to-month bill volatility and helping households manage utility costs;
 - b. assess whether current practices adequately protect customers from large true-up balances and clearly disclose program terms, risks, and benefits;
 - c. assess cash as working capital of existing programs and the rate of returns of existing investor-owned utility budget billing programs; and
 - d. solicit stakeholder input and provide recommendations on potential improvements to existing Budget Billing offerings, including any changes needed to ensure that such

programs are fair, transparent, and aligned with consumer protection objectives.

2. **Grid Optimization and Cost Control Ratemaking.** The MEA shall petition the Commission to adopt a regulatory strategy that prioritizes and incentivizes flexible, optimized lower-cost grid solutions over expensive capital projects. The petition may suggest a cost recovery structure that includes performance incentive mechanisms (PIMs) that directly tie utility cost recovery to specific outcomes, including but not limited to:
 - a. **Interconnection Speed.** Metrics to accelerate the deployment of new resources, promote flexible interconnection, and align interconnection practices with a modern grid management system that includes virtual power plants at the distribution and bulk wholesale levels;
 - b. **Customer Affordability.** Metrics to support consumer affordability and control overall bill impacts; and
 - c. **Non-Wires Alternatives (NWAs).** A unified framework for requiring utilities to evaluate and implement flexible Non-Wires Alternatives in all relevant infrastructure planning cases.
 1. The petition shall recommend a consistent benefit-cost framework to prioritize lower-cost grid solutions over expensive capital projects.
3. **Grid-Enhancing and Advanced Transmission Technologies.** The MEA shall petition the Commission to require applicants to specifically evaluate Advanced Transmission Technologies (ATTs), including Grid-Enhancing Technologies (GETs), before approving new transmission lines or major upgrades. The petition shall propose:
 - a. A requirement that transmission owners:
 1. Demonstrate how ATTs were evaluated in the planning and siting of new or upgraded transmission facilities; and
 2. Provide transparent justification when ATTs are not deployed, including financial, operational, and planning rationales.
 - b. Using a "shared savings" incentive mechanism where utilities and ratepayers share the financial benefits of the increased capacity and congestion relief provided by ATTs.

- c. Recommending that the Commission require transmission utilities to evaluate and report on the potential use of and investment in ATTs over the next five years.

F. Energy Assistance Programs. Within 120 days, the MEA, in consultation with the Department of Human Services and other stakeholders chosen by the Director of the MEA, shall examine existing State energy assistance programs and provide recommendations to the Governor on potential changes to improve affordability, bill stability, and access for low-income and vulnerable households.

1. The examination shall include, but not be limited to, an assessment of how existing programs interact with rate design, arrearage management, and other affordability tools, and whether additional or modified approaches are warranted to prevent energy insecurity and disconnections.
2. The examination shall include, but need not be limited to, an assessment of how the Public Service Commission's (PSC) low-income mechanism operates for Department of Human Services Office of Home Energy Programs customers once this mechanism is implemented, including eligibility pathways, integration across utilities, and alignment with OHEP benefit delivery. This review shall evaluate how the mechanism interacts with utility rate design, arrearage management practices, and existing customer protections to determine its effectiveness in lowering energy burden and stabilizing accounts for OHEP-eligible households. The examination shall assess whether the mechanism is consistently applied, sufficiently coordinated with energy assistance programs, and appropriately structured to prevent energy insecurity and utility disconnections, and whether refinements or enhancements are warranted.
3. The examination shall include, but need not be limited to, an assessment of the Utility Service Protection Program (USPP) and its effectiveness for OHEP customers, with a focus on service continuity, billing stability, arrearage outcomes, and protection from utility shutoffs in the heating season. This review shall consider emolument thresholds, number of uninterrupted seasonal protections, payment requirements, participation trends, and reasons for exit to determine whether the program adequately supports households with fluctuating incomes or limited ability to maintain consistent payments. The examination shall also evaluate how USPP interacts with rate design, arrearage management, and other affordability tools, and whether modifications are warranted to reduce energy insecurity and prevent disconnections among low-income households.

G. Transmission Modernization. Within 30 days, the Chair of the Energy Subcabinet shall convene a Workgroup under the Subcabinet to identify opportunities to modernize Maryland's transmission infrastructure.

1. The Chair shall appoint the members of the Workgroup. Membership shall include:
 - a. Staff of the Governor's Office;
 - b. Staff of the Public Service Commission;
 - c. Staff of the Maryland Department of the Environment;
 - d. Staff of the Maryland Department of Natural Resources;
 - e. Staff of PJM Interconnection, Inc.;
 - f. A representative from the Transmission Providers and State-Regulated Electric Utilities;
 - g. Consumer Advocates; and
 - h. Other relevant stakeholders.
2. The Workgroup shall identify priorities and make recommendations regarding:
 - a. Transmission needs and how ATTs can cost-effectively relieve transmission congestion.
 1. The Workgroup shall consider mechanisms to:
 - a. encourage transmission developers to evaluate and use ATTs where financially beneficial for ratepayers;
 - b. create shared savings incentive mechanisms whereby utilities and ratepayers share the financial benefits of the increased capacity provided by ATTs; and
 - c. for transmission and distribution applicants to:
 - i. demonstrate how ATTs are evaluated in the planning and siting of new or upgraded transmission or distribution facilities;
 - ii. provide transparent justification when ATTs are not deployed,

including financial, operational, and planning rationales; and

iii. file regular ATT deployment plans and reporting metrics.

2. The Workgroup shall identify priority transmission corridors and projects where GETs/ATTs can cost-effectively relieve congestion and support Maryland's reliability and clean energy goals.
3. The Workgroup shall deliver recommendations to the Governor on GETs/ATTs, a process for selecting candidate projects, expected benefits, and coordination with PJM planning.
4. The MEA shall request Commission proceedings or approvals necessary to implement deployments and to align PJM regional planning with identified GETs/ATTs benefits.

b. State-Owned Right-of-Way (ROW) suitable for high-voltage transmission and co-located energy infrastructure, including battery energy storage where appropriate and permitted by federal law.

1. The Maryland Department of Transportation (MDOT) shall conduct a study for establishing siting high-voltage transmission and co-located energy infrastructure along state highways and other agency-owned properties suitable for development.
2. MDOT, with MEA, DNR, PPRP, and Commerce, shall participate in the study and shall seek market feedback through a request for information to identify properties of interest to the Utility companies.
3. The study shall evaluate the existing and future planned uses of existing state-owned rights-of-way, including but not limited to Municipal Separate Storm Sewer System (MS4), pollinator program, solar siting, future project purposes, and existing safe work operations, to identify remaining potential excess lands that may be suitable for high-voltage transmission, distribution, and co-located energy infrastructure, including storage where appropriate.

4. The Workgroup shall compare the potential excess lands with properties of interest with Utility companies to deliver a statewide inventory of state-owned rights-of-way suitable for high-voltage transmission, distribution, and co-located energy infrastructure, including storage where appropriate.
 5. The Workgroup shall consider mechanisms to encourage transmission developers to use suitable State-Owned Right-of-Way from the inventory for PJM Regional Transmission Expansion Plan ("RTEP") projects.
 6. Applicable Agencies shall, in coordination with PSC Staff, propose fast-track permitting workflows for projects sited on state-owned ROW, maintaining strict environmental protections and community engagement requirements.
 7. Any recommendations from the Workgroup shall be subject to the Secretary of Transportation's exclusive authority to approve or deny access to State-Owned Rights-of-Way.
- c. The Workgroup shall explore partnerships with nonprofit organizations to support its tasks and responsibilities set forth under this section.
 - d. The Administration shall undertake best efforts to identify funding to support the whole-of-government implementation of initiatives in this section.

H. Maryland Energy Site-Readiness Initiative. To shift the state's posture from reactive permitting to proactive deployment, the Power Plant Research Program is directed to establish a Site-Readiness Initiative (the "Initiative") in coordination with the MEA, Commerce, MDE and the Department of Planning.

1. The Energy Subcabinet shall establish an Energy Site-Readiness Workgroup to implement the Initiative.
2. **Smart Siting Inventory.** By November 1, 2027, the Initiative shall publish an inventory of previously disturbed land parcels which are pre-vetted as potentially suitable for rapid energy deployment.
 - a. Priority shall be given to disturbed lands, including brownfields, closed mines, industrial zones, and parking canopies, to minimize impacts on agricultural or forested lands.

- b. For priority sites, the Agencies shall conduct preliminary environmental and interconnection feasibility assessments, subject to the availability of funding.
- 3. **Development Offer Packages.** To attract developers to these pre-vetted sites, Commerce, in consultation with the MEA, shall assemble site-specific offer packages that bundle state resources, including, but not limited to:
 - a. Targeted grant funding for grid interconnection costs;
 - b. Concessionary or other appropriate financing options through the Maryland Clean Energy Center (MCEC); and
 - c. Technical assistance for workforce development and local community benefits agreements.
- 4. **Regulatory De-Risking.** To accelerate the timeline from lease to operation, the Power Plant Research Program shall streamline recommendations for a "Pre-Application Consultation" process for projects located on inventory sites.
 - a. This process shall provide developers with a list of potential permits required and potential environmental hurdles before a Certificate of Public Convenience and Necessity (CPCN) application is filed.
 - b. The Power Plant Research Program shall formalize recommendations to allow projects adhering to the "Smart Siting" criteria to be eligible for a "Critical Infrastructure Fast-Track" designation to prioritize executive agency permit review and establish concurrent agency processing.

I. Regional Advocacy and Federal Funding.

- 1. **PJM and FERC Engagement.** The MEA and the Public Service Commission, to the extent permitted by law, shall coordinate to advocate for market reforms at PJM Interconnection and the Federal Energy Regulatory Commission (FERC) that:
 - a. Evaluate the reliability and clean attributes of Maryland's state-supported resources;
 - b. Reduce capacity market and transmission cost volatility for Maryland ratepayers; and
 - c. Align regional planning and market rules with Maryland's affordability, reliability, and climate goals.

2. **Federal Funding Optimization.** The Energy Subcabinet shall establish a Federal Opportunities Working Group to identify, track, and support competitive grant applications under the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA), and other federal programs that align with the objectives of this Order and the State Energy Plan.

J. General Provisions.

1. **Implementation.** All agencies shall implement this Order consistent with applicable law and subject to the availability of appropriations.
2. **No Impairment of PSC Independence.** Nothing in this Order directs the Public Service Commission's adjudicatory decisions; requests for proceedings are recommendations to the Commission consistent with its independent authority.
3. **Severability.** If any provision of this Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, all other provisions or applications of the Order shall remain in effect to the extent possible without the invalid provision or application.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, Anne Arundel County, this 19th Day of December, 2025.



Wes Moore
Governor



ATTEST:



Susan C. Lee
Secretary of State