

May 16, 2025

The Honorable Bill Ferguson President of the Senate of Maryland H-107 State House Annapolis, MD 21401

The Honorable Adrienne A. Jones Speaker of the House of Delegates H-101 State House Annapolis, MD 21401

Dear President Ferguson and Speaker Jones,

Pursuant to Article II, Section 17 of the Maryland Constitution, I hereby veto Senate Bill 909 and House Bill 1037 – Energy Resource Adequacy and Planning Act.

I commend the General Assembly's dedication to ensuring Maryland's energy reliability and sustainability. I agree that we must improve the state's energy planning process and ensure greater accountability from PJM in meeting Maryland's long-term energy needs. That is why I have joined our allies across the region to help address this concern and keep costs down. While this legislation proposes the creation of a new Strategic Energy Planning Office (SEPO) to lead a statewide energy planning process, including the development of a comprehensive report on risks to the bulk power system, after careful consideration, I have determined that this legislation is unnecessary at this time due to several factors.

The fiscal impact of this legislation is significant. Establishing and operating this new office would cost between \$4.4 million and \$5.3 million annually starting in fiscal year 2026, totaling nearly \$29 million over five years. This cost would ultimately be passed along to Maryland

100 State Circle, Annapolis, Maryland 21404 (410) 974-3400 TTY Users Call via MD Relay governor.maryland.gov ratepayers at a time when we are actively working to limit their burden, not add to it. Furthermore, the objectives outlined in this legislation overlap significantly with existing efforts by agencies such as the Public Service Commission (PSC), the Maryland Energy Administration (MEA), and the Power Plant Research Program (PPRP). These agencies are already engaged in comprehensive energy planning and analysis. Establishing a new office with similar responsibilities would lead to delays, redundancy, and inefficient use of resources.

Given these considerations, the goals of this legislation can be achieved more effectively through the optimization of current agency functions and resources. I look forward to working with you and stakeholders to address this.

For these reasons, I have vetoed Senate Bill 909 and House Bill 1037.

Sincerely,

Wes Moore Governor