

Gas Is More Expensive Than Batteries

To meet Maryland's growing energy needs, some lawmakers are proposing to build a new gas plant in Maryland. However, **building a new gas plant is the most expensive, slowest, and most polluting energy solution available to Maryland.**

Google, Inc recently commissioned Brattle, a respected independent research group, to determine the least expensive way to meet new electricity demand. They found that building a new gas power plant is more expensive than prominent zero-emission alternatives, including building new utility-scale batteries and building virtual power plants.¹ Simply put: Building a new gas power plant in Maryland will increase energy costs unnecessarily.



Net Cost of Providing 400 MW of Resource Adequacy (Range observed across all sensitivity cases)

Delegate Lorig Charkoudian and Senator Ben Brooks are sponsoring legislation that would deploy utility-scale batteries and virtual power plants. The bill is called the Abundant, Affordable Clean Energy (AACE) Act. Maryland can meet our new electricity demand with clean solutions and without using old, expensive fossil fuel technologies. In fact, **no publicly available modeling has yet to find that Maryland needs new gas power to balance the grid.**

¹ <u>https://www.brattle.com/insights-events/publications/real-reliability-the-value-of-virtual-power/</u>

Gas Cannot Solve Near-Term Energy Needs

Gas plants take a very long time to get built. In 2023 the Virginian utility Dominion proposed building a new gas plant at the location of an old coal power plant, which they promised would be operational in 2026. Now they say it won't be running until at least 2030. New gas power plants are massive undertakings, even when they are renovating a pre-existing coal plant, which can take upwards of 7 years to complete. New Gas generation cannot provide any additional energy resources to Marylanders in the 2020s. Batteries, on the other hand, can be deployed in a matter of months, rather than a matter of years, and are already meeting surging energy demand in states like Texas.

Projected Data Center Demand is Uncertain

In late January 2025 the Chinese company DeepSeek demonstrated that it could produce the same quality of AI while using only a small fraction of the electricity used by previous models. On the day of this announcement, Nvidia, the primary company selling chips used in AI datacenters, saw its stock price fall by \$600 billion, an unmistakable signal that fewer chips will be sold. Fewer chips being sold could mean reduced electricity demand from datacenters. Building an expensive new gas plant today to meet uncertain data center demand could be a risky investment.

Renewables and Batteries Can Keep The Lights On

Wind, solar and batteries have been pouring onto the Texas grid, meeting growing demand and keeping energy prices low. Wind and solar make up more than 30% of annual electricity generation, and there are days when renewables provide 70% of the power to the grid. Batteries in Texas can provide 4 gigawatts of power to meet peak demand. Doug Lewin, who writes The Texas Energy and Power Newsletter said last summer that Texas "almost certainly would have been rolling outages without (batteries)."² Texas has demonstrated concretely that renewables and batteries can provide the energy necessary to meet growing demand.

Gas Pollution Costs Marylanders

Pollution from gas power plants drives up costs for Marylanders. The local air pollutants, which include Ozone, Sulfur-Dioxide and Nitrogen-Dioxide, contribute to asthma and other health conditions that increase healthcare costs. Gas is a fossil fuel that contributes to climate change, the effects of which are felt across Maryland. Clean energy alternatives are cheaper to build and have no additional pollution costs.

For more information, please contact: **Brittany Baker,** Maryland Director, CCAN) Action Fund <u>brittany@chesapeakeclimate.org</u>



² https://x.com/douglewinenergy/status/1826096061670183347