

A Climate Test for Maryland's PSC (HB 531 / SB 656)

Why We Need to Require the Public Service Commission to Consider Climate

The world's leading climate scientists warn that we have 10 short years to dramatically reduce our climate-disrupting emissions. According to the Intergovernmental Panel on Climate Change (IPCC), we must reduce greenhouse gas emissions 60% by 2030 to avoid the worst impacts of a rapidly warming planet.¹ This switch means running our homes, industries, and cars on clean sources of energy instead of fossil fuels.

However, gas plants have multiplied in recent years and Governor Hogan wants to "kick-start" a gas pipeline expansion across Maryland.² It's time to take serious steps to address climate change and our overreliance on fossil fuels such as gas.



The Problem: Climate Effects Ignored

To avert climate catastrophe, we must radically change our energy economy to be powered by renewable sources like wind and solar. Reliance on coal is declining but gas is on the rise. Methane – the primary component of gas – is 86 times more potent a greenhouse gas than carbon dioxide, yet the Administration still considers gas a "bridge fuel."³ In a world that is both literally and metaphorically on fire, there is no room for more gas in Maryland.

The PSC is Fueling the Fire: The Maryland Public Service Commission (PSC) regulates electricity and gas supply in the state. It approves facilities that generate electricity and oversees the gas industry. When it approved a former coal plant repowering to gas, the PSC stated that its governing statute "does not specifically or generally require considerations regarding climate change."⁴ The PSC staff agreed: "the Commission has never required that any consideration of climate change and its effects be included in a . . . proceeding."⁵

The Solution: Institute a PSC Climate Test (HB 531 / SB 656)

As an immediate fix to an immediate problem, legislators must direct the PSC to consider climate when making decisions. This "climate test" would provide a necessary and straightforward solution to the PSC's refusal to consider climate change when making energy-related decisions.

What Will the Bill Do?

- Directs the PSC to consider climate change in its regulation of the electricity sector, based upon the best available scientific information recognized by the IPCC and achieving our state climate goals.
- Specifically, the legislation will require the PSC to consider climate impacts when reviewing applications for new electricity generating facilities, and when it approves the sites for new facilities.
- State agencies similarly would need to consider climate impacts when providing input to the PSC regarding applications for new facilities.

If We Don't Act: More Dangerous Gas Infrastructure Will Threaten Our Communities.

Failure by the PSC to consider climate has already led to the approval of dangerous gas projects:



- In 2018, the PSC approved a merger between Canadian company AltaGas and local utility Washington Gas meant to “kick-start” a gas expansion across Maryland. Negotiated by the Hogan Administration, the merger mandates that AltaGas give \$30 million to the state to be spent on fracked-gas pipelines and combustion throughout Maryland and directs AltaGas to

spend \$70 million in ratepayer money over 10 years on fracked-gas infrastructure.⁶

- In 2019, the PSC allowed the retired coal-fired CP Crane facility in Baltimore to repower to gas. In approving the project, the PSC staff declared that “the Commission has never required that any consideration of climate change and its effects be included in a Proposed Order or CPCN proceeding. . . . Staff is bound by Commission precedent.” Six coal plants remain in Maryland and our climate cannot afford to see them repower to gas.

TAKE ACTION

Contact our MD Campaign Coordinator Anthony Field: anthony@chesapeakeclimate.org or (301) 664-4068.

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