

The State of Maryland

Executive Department

EXECUTIVE ORDER
01.01.2010.16

Long-Term Electricity Report for the State of Maryland

- WHEREAS, A sustainable energy future for all Marylanders requires an evaluation of the long-term electricity needs of the State and a comprehensive review of alternative and innovative approaches to meet those needs;
- WHEREAS, A Long-Term Electricity Report is critical to securing Maryland's energy future by addressing our long-term energy needs and providing a blueprint for achieving a clean, reliable, and affordable energy future; and
- WHEREAS, Input from a variety of stakeholder groups including government agencies, electricity customers, utilities, electric suppliers, and organizations representing environmental and consumer interests will help develop and achieve support for policy changes needed to implement the Long-Term Electricity Report.
- NOW, THEREFORE, I, MARTIN O'MALLEY, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND THE LAWS OF MARYLAND, HEREBY PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:
- A. On or before December 1, 2011, the Department of Natural Resources' Power Plant Assessment Program (Department) shall prepare a Long-Term Electricity Report (Report) for the State of Maryland.
- B. The Report shall assess future electric energy use requirements and peak electric demand requirements, and identify sources and alternative resources to meet any gaps in these requirements through the end of calendar year 2030.

C. The Report shall:

(1) Analyze electric energy use and peak electric demand forecasts, including:

(a) Existing and planned electric generating and demand response capacity in Maryland;

(b) Demand related to the transition to an electricity-based transportation system;

(c) Existing electric transmission system in the PJM Interconnection region along with planned improvements and expansion of the system; and

(d) The extent to which Maryland's power supply requirements over the 20-year analysis period exceed the capabilities of existing and planned electric generation resources, including projected demand response resources and transmission system capacity.

(2) Examine alternative and feasible sources of electric capacity to address any gaps between power supply requirements and the capabilities of existing and planned electric generation and transmission system resources, considering among other factors:

(a) Costs of generation, including capital, operational and maintenance costs;

(b) Reliability of supply;

(c) The extent of and ability to avoid, minimize or mitigate, adverse environmental impacts;

(d) Conventional and renewable generation capacity additions, including small scale distributed generation sources;

(e) Options for fuel-switching, including use of natural gas and biomass;

(f) Energy conservation and energy efficiency;

(g) Demand response;

- (h) Smart grid technologies;
- (i) Energy storage technologies, including fuel cells, battery storage and plug-in vehicles;
- (j) Transmission congestion;
- (k) Transmission system expansion; and
- (l) The reliability and costs, including societal and environmental costs, of conventional fuel supplies.

(3) Evaluate scenarios for meeting the State's long-term electricity needs and the extent to which those scenarios address the following factors:

- (a) Long-term cost and cost stability;
- (b) Reliability of supply;
- (c) Electricity grid congestion, transmission, and distribution issues;
- (d) Energy conservation and energy efficiency;
- (e) Minimization of adverse environmental impacts;
- (f) Minimization of adverse land-use impacts;
- (g) Consistency with the State's environmental laws, including Title 2, Subtitle 12 of the Environment Article (Greenhouse Gas Emissions Reduction), Section 7-211 of the Public Utility Companies Article (EmPOWER Maryland Energy Efficiency Act of 2008), and Title 7, Subtitle 7 of the Public Utility Companies Article (Renewable Energy Portfolio Standard); and
- (h) Consistency with relevant federal energy and environmental laws.

D. In developing the Report, the Department shall solicit and consider input from:

- (1) The Maryland Energy Administration;

- (2) The Department of the Environment;
- (3) The Department of Agriculture;
- (4) The Department of Business and Economic Development;
- (5) The Department of Transportation;
- (6) The Department of Planning;
- (7) The Technical Staff of the Public Service Commission;
- (8) The Office of People's Counsel;
- (9) PJM Interconnection, LLC;
- (10) Electric companies and electricity suppliers;
- (11) Natural gas companies and pipeline suppliers;
- (12) Renewable energy generators;
- (13) Energy service companies specializing in demand reduction;
- (14) Large electricity consumers, including commercial and institutional consumers;
- (15) Organizations representing environmental interests in the State;
- (16) Organizations representing consumer interests in the State; and
- (17) Any other relevant interests.

E. Prior to final publication of the Report, the Department shall hold public meetings to review the draft findings of the Report with members of the public.


F. The Department shall review and update this report at least every five years in consultation with the organizations listed in

paragraph (D) above and after holding public meetings to review any updated draft findings with members of the public.

G. The Department shall submit the Long-Term Electricity Report with any updates to the Governor, General Assembly, and Maryland Public Service Commission.

H. The Department shall file the Report with the Maryland Public Service Commission in conjunction with the Department's testimony in proceedings relating to certificates of public convenience and necessity described in Sections 7-207 or 7-208 of the Maryland Public Utility Companies Article and other cases concerning electricity generation, electric transmission, demand management, and energy efficiency.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 23rd Day of July, 2010.



Martin O'Malley
Governor

ATTEST:





John F. McDonough
Secretary of State