

SENATE JOINT RESOLUTION 6

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By: **Senator Benson**

Introduced and read first time: February 20, 2020

Assigned to: Rules

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **Federal Energy Regulatory Commission Order**

3 FOR the purpose of urging the Federal Energy Regulatory Commission to reverse a certain
4 Order.

5 WHEREAS, On December 19, 2019, the Federal Energy Regulatory Commission
6 (FERC) issued its long-awaited Order in the PJM Reliability Pricing Model Capacity
7 dockets; and

8 WHEREAS, The Order would require that PJM's Minimum Offer Price Rule (MOPR)
9 be applied to all resource types offered on the capacity market with few exceptions to
10 address state-preferred generation resources; and

11 WHEREAS, The Order targets and effectively nullifies new programs and resources
12 supported by states to meet their policy needs and legislative mandates, including
13 Maryland's existing Renewable Energy Portfolio Standard (RPS) program; and

14 WHEREAS, Unless exempted, state-supported renewable resource types would be
15 significantly impacted by the application of the revised MOPR, while resources receiving
16 federal support would not be subject to the revised MOPR; and

17 WHEREAS, The Order may impair planned renewable resources that have not yet
18 completed certain interconnection planning requirements at PJM, including one of
19 Maryland's two approved offshore wind (OSW) projects and any other OSW projects that
20 may be considered in the future in accordance with Maryland's Clean Energy Jobs Act and
21 RPS requirements; and

22 WHEREAS, The Order would impact other prospective state-supported clean energy
23 programs, including efforts to promote carbon capture or new, small modular nuclear
24 plants; and

25 WHEREAS, The application of the MOPR to energy storage projects could stall



1 Maryland's energy storage pilot program before it is officially launched; and

2 WHEREAS, Electricity customers would be exposed to higher capacity costs as a
3 result of load serving entities having to buy more capacity than necessary, and buying that
4 capacity at higher prices as a result of more fossil fuel generation clearing the auction; and

5 WHEREAS, The cost of complying with Maryland's RPS requirements will increase;
6 and

7 WHEREAS, The Order may impair planned renewable resources that have not yet
8 completed certain interconnection planning requirements; and

9 WHEREAS, Multiple units of State government as well as representatives of other
10 states have filed requests for rehearing with FERC; now, therefore, be it

11 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General
12 Assembly urges FERC to reverse its Order concerning the expanded application of the
13 MOPR and allow states to develop their own state-preferred resource programs to meet
14 their policy needs and legislative mandates; and be it further

15 RESOLVED, That a copy of this Resolution be forwarded by the Department of
16 Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland; the
17 Honorable William C. Ferguson, IV, President of the Senate of Maryland; and the
18 Honorable Adrienne A. Jones, Speaker of the House of Delegates.