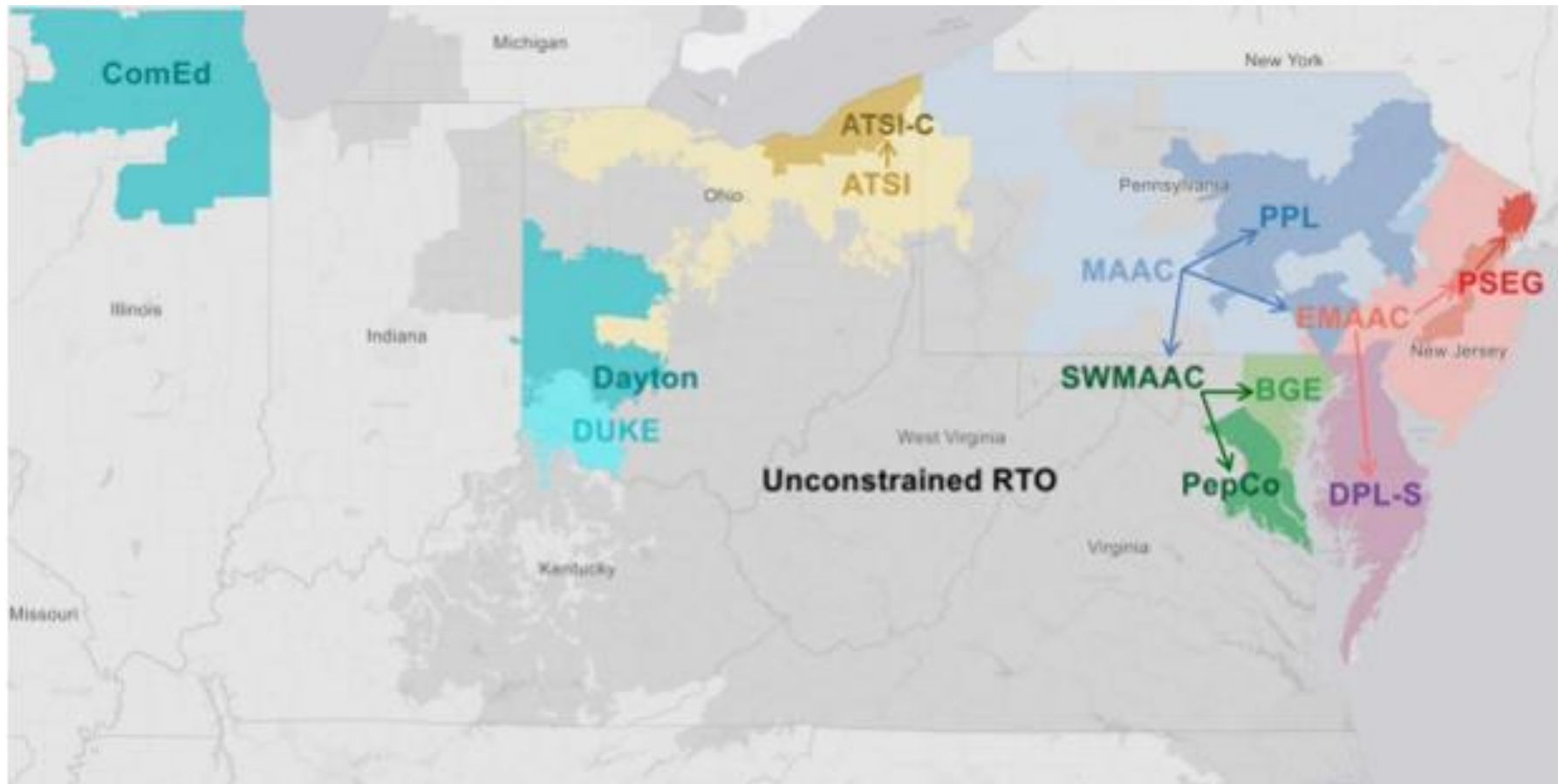


ESIG Spring Technical Workshop

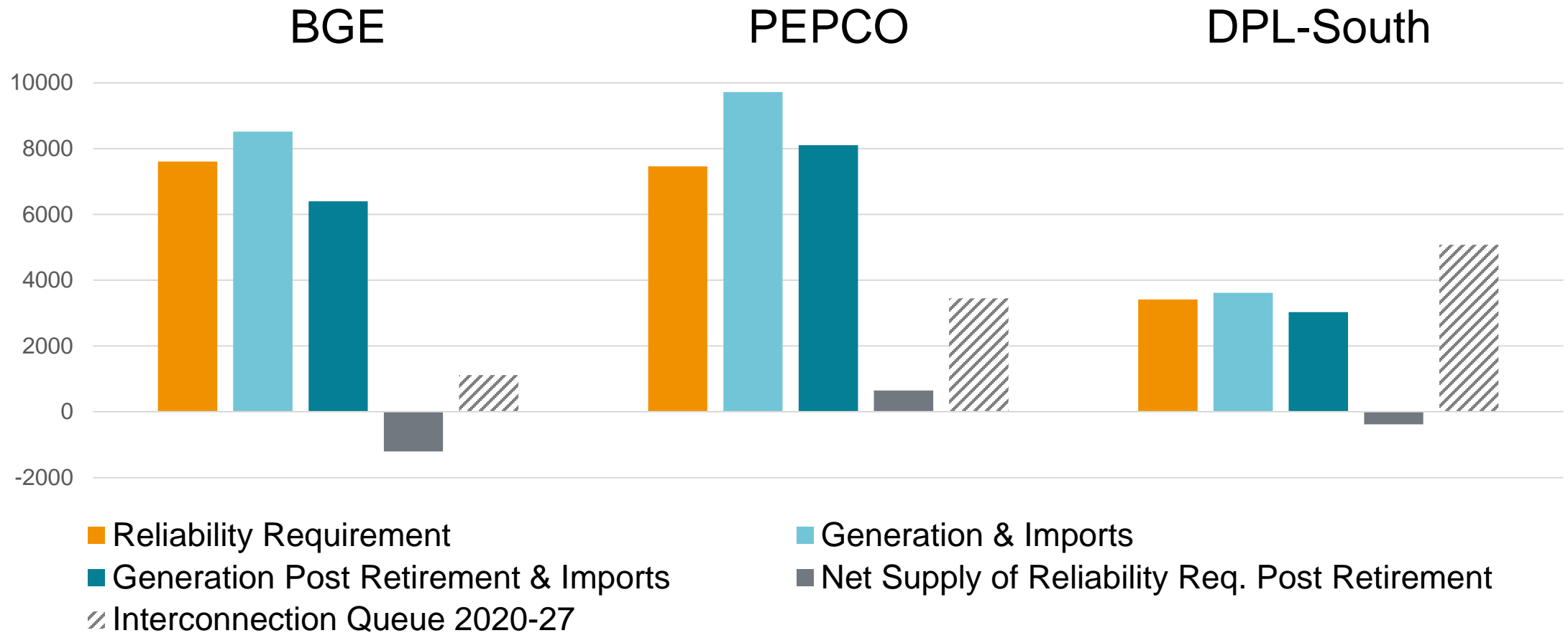
**Power Plant Retirements: Transmission
Buildout and Reliability Must Run Contracts**

David Lapp, Maryland People's Counsel
Tucson, Arizona
Wednesday, March 27, 2024

PJM Constrained Locational Deliverability Areas



Maryland Locational Deliverability Areas: Retirement Risks



Baltimore Gas & Electric customer impacts of Maryland retiring coal plants

Retirements of Wagner (841 MW) and Brandon Shores (1282 MW)	Annual customer costs	RMR term costs (6/2025-12/2028)	Monthly increase in avg. residential bill (\$/month)	Annual average residential bill impact
RMR Costs*	\$296,000,000	\$1,060,666,667	\$9	\$108
PJM Capacity Market <i>Incremental</i> Costs**	\$164,000,000	\$587,666,667	\$5	\$60
Total	\$460,000,000	\$1,648,333,333	\$14	\$168

* RMR cost estimates are preliminary, based on the best available information on past RMR costs, and are not predictions. Estimates assume (optimistically) timely completion of PJM's transmission solution, currently scheduled for December 2028.

** Incremental capacity market costs assume, consistent with past practice, that RMRs do not participate in PJM's capacity market.

Transmission-related capital expenditure customer costs

Brandon Shores Deactivation Grid Solutions	Capital Expenditures	Annual Costs (2030 and beyond)	Monthly increase in avg. residential bill (\$/month)	Annual average residential bill impact
Total costs across PJM footprint	\$726,000,000	-	-	-
Cost allocation to BGE customers	\$534,000,000	\$73,319,988	\$2.26	\$27.12

Customer costs incurred following completion of transmission solution, scheduled for December 2028, and last until the investments are fully depreciated (approximately 30-50 years).

Questions?

David Lapp, Maryland People's Counsel
davids.lapp@maryland.gov