



# HCCA

Howard County Citizens Association

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## **HB1035 – Public Utilities – Electricity Generation Planning – Procurement, Permitting, and Co-Location (Next Generation Act)**

**Economic Matters Committee**

**Position: Unfavorable**

**Friday, February 28, 2025**

Greetings Chairman C.T. Wilson, Vice Chairman Brian Crosby and members of the Economic Matters Committee

My name is Paul Verchinski. I am testifying for the nonprofit Howard County Citizens Association (HCCA). Founded in 1961, HCCA testifies regarding proposed legislation affecting the residents of Howard County and the State of Maryland. This written testimony has been authorized by the HCCA Board. Our website can be found at <https://howardcountyhcca.org>. While Nuclear Energy may be a green solution for base load generation, there has not been a successful new nuclear plant built in the United States in the past 40 years. Small packaged nuclear plants are now being touted, yet none have been installed and approved by the Federal Nuclear Regulatory Commission. If you proceed with this bill, it should only be done on a very strict Pilot basis instead of the broad language in this proposed bill. Alternatively, the State could authorize a Power Purchase Agreement for electricity from the existing Calvert Cliffs Nuclear Plant, thereby avoiding construction cost risk.

### **UnFavorable**

#### **The Howard County Citizens Association requests an UnFavorable report on HB1035 for the following reasons:**

1. Haste makes waste. The potential effect on ratepayers is totally ignored. This bill “requires the Commission to approve orders to facilitate the financing of nuclear energy generation projects .....”
2. “The recent **Nukegate scandal** in South Carolina was a [political and legal scandal](#) that arose from the abandonment of the [Virgil C. Summer nuclear expansion project](#) in [South Carolina](#) by [South Carolina Electric & Gas](#) (SCE&G) and the [South Carolina Public Service Authority](#) (known as Santee Cooper) in 2017. It was the largest business failure in the history of South Carolina. Before its termination, the expansion was considered the harbinger of a [national nuclear renaissance](#). Under joint ownership, the two utilities collectively invested \$9 billion into the construction of two nuclear reactors in [Fairfield County, South Carolina](#) from 2008 until 2017. The utilities were able to fund the project by shifting the risk onto their customers using a state law that allowed utilities to raise consumers' electricity rates to pay for nuclear construction. The debacle left

customers of Virginia-based Dominion Energy, which bought out SCANA in the aftermath, on the hook for more than \$2 billion for reactors that never generated power. “(Quotes and Links from Wikipedia)”

3. There is still no solution for radioactive disposal of used depleted energy rods from existing nuclear power plants.
4. There is no current new proposed nuclear power plant that is financeable from the private sector while solar and wind are both being brought into the energy market place without rate payer subsidies.
5. Maryland decided not to own any generating plants and had the utilities divest themselves of all generation plants, including the nuclear power plant at Calvert Cliffs (currently owned by EDF Group – a French firm) in Maryland. Maryland buys its electricity twice annually in the market and should continue to do so. Attempts to add a 3rd reactor in 2010 by Constellation Energy at Calvert Cliffs were not viable financially since it required a Federal Loan Guarantee for the approximate \$9.6 Billion cost. (It was not granted). This project was not financeable in the private sector and Nukegate only reinforced the perils of building Nuclear Power Reactors.
6. Maryland has 5 million people and 5 utilities that have dragged their feet since 2016 (Public Conference 44 – Transforming Maryland’s Electric Distribution System) in allowing Distributed Energy Resources to be added to their distribution grids in Maryland when those solutions are cheaper and much faster in construction and implementation.

We ask that the committee report out the bill Unfavorably.

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