



February 23, 2026

Mr. Andrew Johnston
Executive Secretary
Public Service Commission of Maryland
6 Saint Paul St., 16th floor
Baltimore, MD 21202

Subject: Case No. 9761 – DRIVE Act Implementation

Re: Support for BGE's Revised Proposal for a Virtual Power Plant Pilot Program and
Certain Time-Of-Use Enhancements

Dear Mr. Johnston:

The Alliance for Transportation Electrification¹ is pleased to submit these comments in support of the Revised Proposal for a Virtual Power Plant (“VPP”) Pilot Program and Certain Time-of-Use (“TOU”) Enhancements submitted on January 20, 2026, by Baltimore Gas and Electric Company (“BGE”). For the reasons discussed herein, we encourage the Commission to promptly approve the proposal.

Respectfully submitted,

Michael I. Krauthamer
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¹ ATE is a 501(c)(6) non-profit corporation that engages with regulators and policymakers at the State and local government levels to remove barriers to EV adoption and to encourage the acceleration of electric vehicles (EV) infrastructure deployment. We consist of over 50 industry members along with affiliated non-governmental organizations across multiple sectors members that include electric utilities, auto and bus manufacturers, EV charging infrastructure providers, and related organizations.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

DRIVE Act Implementation

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Case No. 9761

**COMMENTS OF THE ALLIANCE FOR TRANSPORTATION ELECTRIFICATION (ATE)
IN SUPPORT OF
BGE’S REVISED PROPOSAL FOR VIRTUAL POWER PLANT PILOT PROGRAM AND
CERTAIN TIME-OF-USE ENHANCEMENTS**

Although ATE filed comments on the original proposal, we believe further comments are appropriate based on the constructive enhancements BGE has made in response to the Commission’s comments at the September 3 hearing and other stakeholder remarks, incorporated in Order No. 91917 directing BGE and the other utilities to refile their proposals. ATE believes that BGE has listened well to many of these comments, and has made a good-faith effort to adapt its original proposal. Specifically, the revised proposal addresses the 14 major topic areas identified in Order No. 91917, which we summarize in the following broad categories:

- (1) Increased flexibility;
- (2) Participation by Marylanders who live in underserved communities;
- (3) An emphasis on reduced costs to all customers by reducing the system peak by 135 MW; and
- (4) A larger scope to support increased integration with capacity planning and operational teams.

We have reviewed BGE’s “Revised Pilot” proposal in light of the Commission’s specific directives and also with an eye towards affordability and customer options. Overall we believe BGE’s proposal is well designed, meets the objectives of the Commission and the DRIVE Act, and should be approved promptly.

Peak Load Reduction

Reducing peak load results in a relatively identifiable reduction in costs, which is why this effort is a longstanding “tool in the toolbox” for the utility and the Commission to seek to reduce costs instead of committing to incremental capital costs for new generation or

power purchases. BGE's revised proposal aims to reduce its peak by two percent, which translates into approximately 135 MW. This is also consistent with the DRIVE Act's provisions related to benefits of virtual power plants (VPPs), and the statewide two percent target reduction. We believe this is a reasonable and achievable target for this VPP pilot.

Enhancing Reliability and Resilience

BGE's proposed VPP portfolio provides defined participation pathways for all customer classes, enabling direct and indirect compensation for their grid services. The portfolio includes a range of resources, both traditional as well as new and potentially highly beneficial. While some are proven, others are new and warrant testing and evaluation. In terms of how these resources will come to be involved in the pilot, we note that BGE responded to specific comments such as those expressed at the Commission's September hearing, as demonstrated by the inclusion of aggregators for both residential and C&I customers along with company- and customer-owned devices. Taken together, we view BGE's VPP proposal as an orchestra of resources operating together under a single conductor. Three specific outcomes stand out to us as particularly notable:

- Reducing system-wide and locational peak demand
- Improved load forecasting
- Identifying opportunities to defer infrastructure investments

Device Ownership Options

As DERs proliferate and grow in popularity with consumers, it is critical that the utility design VPP programs that can scale with reliability and resiliency. ATE believes that this "revised pilot" builds a foundational framework that can enable such scalability. BGE proposes allowing customers to "bring their own" behind-the-meter dispatchable devices including stationary energy storage (battery energy storage systems), potentially paired with solar, and also EVs with bidirectional energy flow capabilities. Allowing customers to monetize their own energy investments via their utility while at the same time saving all ratepayers money may sound obvious, but it is not necessarily true for many utility programs. We commend BGE for recognizing this flexibility and engaging in efforts to design and enroll customers in balanced programs.

Each of these resources will be managed by a grid-edge DERMS provider, not to be confused with "aggregators" who are independent entities who may enroll and effectively bundle residential and/or C&I customers for participation in a specifically-designed component of the revised pilot.

Separately from these aggregators, BGE may recruit customers on its own, who have the option of enrolling directly with BGE. As BGE explains, utility-owned devices continue to play a critical role in maintaining a diversified portfolio of resources under direct load control. BGE can pay for the costs of certain behind-the-meter devices, when cost effective, which encourages more participation and supports equitable access for all types of customers who wish to participate in load management programs.

In particular, two-way load control devices (or “2WDLC” switches) are a significant improvement over older switches which can only send but not receive data. Given the rapid advances of technologies at the grid-edge, it makes little sense not to leverage the cost of two-way devices, particularly given the concern expressed by this Commission in multiple proceedings regarding granular data. While one-way devices may be suitable for large-scale decisions when a few scattered resources would not be significant, today’s sophisticated utility capabilities paired with relatively high-powered distributed generation resources (solar and storage) and distributed loads (EVs) nearly demand utilizing two-way devices.

Regarding the Medical Needs Battery Energy Storage System Program, we note that BGE consulted with multiple esteemed organizations and that BGE explained how it is uniquely positioned to address a clear need. Here, BGE is proposing a solution narrowly tailored to the situation; there is the added benefit of favoring those who are in the most need during times of great stress to those individuals who rely on electric medical equipment as well as their support networks whose days are upended any time there is a power outage. While outages are fortunately infrequent, the increasing extreme weather events do create hazardous driving conditions for multi-day periods which may harm households with medical needs. Moreover, ATE envisions that BGE may even use medical BESS to test load management techniques, depending of course on the value of switching a device from grid power to a battery, as well as expectations around the need to rely on the battery in an emergency. Since pilots are designed by utilities to assess and test these sorts of challenges, we agree this is a useful design and element and we encourage the Commission to approve it.

Compensation

BGE’s proposed compensation framework is a thoughtfully designed approach that balances system value, customer value, and customer predictability. For the BYOD component, BGE proposes a minimum level of performance with an example being given of at least 90%; we believe performance at this level or higher is justified because the nature of being a capacity resource includes an obligation to be available when

dispatched. Customer-owned resources should not be measured by a more relaxed standard than any other grid resources.

Regarding the two-way device load control switches, BGE proposes \$10 per month per customer. BGE has much experience interacting with its customers on incentive levels through other EV programs like Smart Charge Management (SCM). Hence we believe that the company proposal is well grounded in facts and experience. Data collected over time will illuminate whether an incentive is too low or too high, and as the pilot proceeds changes can be made. The proposed \$10 per month strikes us as a reasonable starting point.

For aggregators, BGE proposes a lump sum for all customers the aggregator enrolls with the payments to be determined and distributed by the aggregator. We believe BGE's initial proposal, in which customers would enroll directly with BGE and thus reap 100% of the compensation instead of what could be a small fraction, was optimal. Unless the Commission were to reverse course and cut out the middle-man, we believe BGE's proposal is reasonable under the circumstances and should be approved.

Locational Value Pilot Elements

Reducing peak load in constrained Locational Delivery Areas remains important, and which BGE is addressing in its 135 MW target described above. And with the rise of DERs and technology capable of measuring and managing energy at a more granular level, there is now also a need to address the grid at the feeder level below the substation. As stated earlier, ATE believes it is critical now to design and implement the foundations of scalable networks and programs in anticipation of the flood of DERs such as EVs and solar+storage in the near future.

BGE illustrates in its proposal the benefits of locational load management in the context of its existing Smart Charge Management (SCM) program for electric vehicles. The same concept applies to other resources. For that reason, BGE proposes to proactively market and enroll devices - BYOD stationary and EV batteries and 2WDLC switches within the geographic boundaries of constrained feeders using locational enrollment strategies to build portfolios in grid-critical areas. Once enrolled, BGE will look to leverage a grid-edge DERMS capable of dispatching these DERs strategically across their system. It plans to orchestrate well-tailored response levels between specific resources on those feeders, rather than calling events system-wide. The VPP would be leveraged for feeder-level load shaping, reducing demand on specific circuits. ATE believes that BGE's approach is sensible on several fronts: it reduces costs because a smaller number of customers will

have to be compensated; and it streamlines operational issues since a smaller number of feeders and customers will need to be managed.

Benefit–Cost Analysis and Evaluation, Measurement, & Verification

We cannot emphasize strongly enough to the Commission that BGE’s proposal includes a thorough benefit-cost analysis (BCA), many well-founded elements, and detailed and relevant metrics. We are familiar with the Commission’s eight factors in evaluating pilots, established in Order No. 88438; we have also observed occasions in which, from our perspective, opposing parties pepper the applicant with a long list of additional metrics causing delay and effort of questionable value. We urge the Commission to disallow abuses of the eight factor test by giving deference to the applicant and setting a high bar for an intervenor to impose additional metrics.

Conclusion

ATE tracks and follows a multitude of utility filings and dockets at Commissions in every region of the country. We have consistently found that BGE continues to be among the leaders in innovation and deploying cost-effective solutions for commercial and residential customers. It is willing to test innovative approaches through pilot programs such as this revised VPP proposal, smart charge management, and others. Therefore, we encourage approval of BGE’s revised VPP pilot proposal expeditiously.

Respectfully submitted,

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