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STATE OF MARYLAND



## PUBLIC SERVICE COMMISSION

May 17, 2024

Andrew Johnston  
Executive Secretary  
Maryland Public Service Commission  
William Donald Schafer Tower  
6 St. Paul Street, 16<sup>th</sup> Floor  
Baltimore, MD 21202

Re: Case No. 9674: Maryland Unified Benefit-Cost Analysis Framework for Distributed Energy Resources – Work Group Report

Dear Mr. Johnston,

On May 13, 2022, the Maryland Public Service Commission (Commission) issued Order No. 90212 which directed the establishment of a Work Group tasked with developing a Maryland-specific Unified Benefit-Cost Analysis (UBCA) framework to address the cost-effectiveness of all Distributed Energy Resources (DERs) based on the principles of the National Standard Practice Manual (NSPM) for Benefit Cost Analysis' of DERs. The primary purpose of developing a UBCA framework is to ensure that all DERs are assessed consistently against supply alternatives and each other in order to optimize total investment in DERs. As directed by Order No. 90212, and through a competitive process, E4TheFuture and a subcontractor team were retained as expert consultants to provide technical and facilitation support for the UBCA Work Group and to prepare a report that establishes this Maryland-specific UBCA Framework.

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The UBCA Work Group began meeting in July 2023 with participation from various organizations across Maryland.<sup>1</sup> With the goal of producing a final report to be presented to the Commission, the Work Group process consisted of eight full Work Group meetings, several smaller single-issue meetings, several deliverables completed by Work Group members, and additional conversations in-between meetings as necessary. The Work Group functioned collaboratively throughout the entirety of this process, which allowed for productive discussions between Work Group members on technical topics and enabled constructive feedback from all participants.

The report developed by the UBCA Work Group consists of various Work Group recommendations to be considered by the Commission and establishes a framework for a Maryland-specific UBCA applicable to all DERs. On behalf of the UBCA Work Group Leadership, I hereby submit this Work Group Report for Commission consideration.

Respectfully,



Brett Sproul

Commission Technical Advisor

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<sup>1</sup> The participant organizations include: Maryland Public Service Commission Technical Staff, Maryland Office of People's Counsel (OPC), Maryland Energy Administration (MEA), Maryland Department of Housing and Community Development (DHCD), Columbia Gas, Baltimore Gas and Electric (BGE), Potomac Electric Power Company (Pepco), Delmarva Power and Light (DPL), Potomac Edison (PE), Southern Maryland Electric Cooperative (SMECO), Washington Gas and Light (WGL), American Council for an Energy Efficient Economy (ACEEE), Northeast Energy Efficiency Partnerships, Clean Grid Advisors, Demand Side Analytics, Energy Policy Design Institute, Guidehouse, Hungeling Analytics, KBH Energy Consulting, and Loper Energy.