



Comments of Old Dominion Electric Cooperative on Senate Bill 912 March 11, 2020

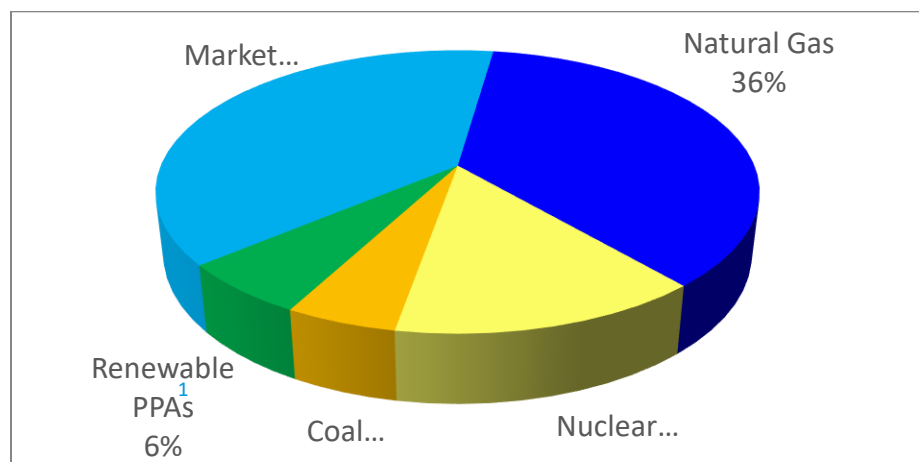
Old Dominion Electric Cooperative (ODEC) is pleased to provide written testimony to the Senate Budget and Taxation Committee and the House Economic Matters Committee regarding Senate Bill 912.

Overview

ODEC is a not-for-profit generation and transmission electric cooperative that is owned by 11 retail distribution electric cooperatives in Maryland, Delaware, and Virginia. Like ODEC, each of those electric cooperatives is a not-for-profit entity owned by the retail consumers they serve. As not-for-profit entities, we make no profits sent to distant shareholders. Our sole motivation is to serve the individuals and communities that rely on the affordable, reliable, sustainable and safe electric power we provide. In total, those 11 distribution cooperatives serve approximately 1.5 million people in the three states, which includes more than 100,000 people on Maryland's Eastern Shore served by Choptank Electric Cooperative.

ODEC owns and operates a diverse set of power generation facilities, and is co-owner of other facilities with Dominion Energy. The chart below summarizes the sources of ODEC's energy by fuel type:

Figure 1: ODEC 2019 Energy Sources



¹ We sell renewable energy credits related to these purchases to our members and non-members.

Wildcat Point Generating Facility in Cecil County, Maryland

As part of our generation fleet, ODEC owns and operates the Wildcat Point Generation Facility in Maryland. Wildcat Point is a 1,000 MW combined cycle natural gas plant capable of powering nearly 400,000 homes.

This more than \$800 million investment in Cecil County, Maryland provided more than 600 jobs during construction and now has more than 30 permanent jobs associated with the plant. We also have a payment in lieu of taxes agreement with Cecil County that provides nearly \$2 million per year to the county through the year 2051.

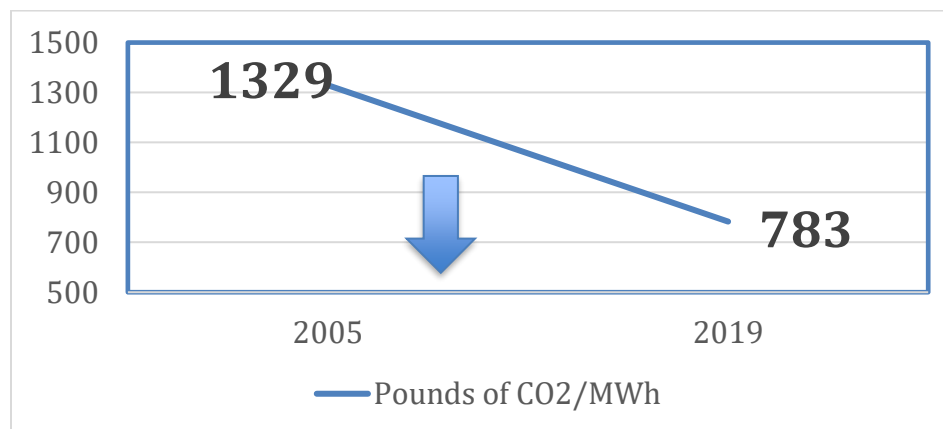
We announced the Wildcat Point project in April of 2013, and broke ground on the plant in October of 2014 after receiving approval from the Maryland Public Service Commission to build it. The plant began commercial operation in April of 2018 and has provided ODEC member cooperatives with affordable, reliable, and environmentally-responsible power ever since.

Unfortunately, Senate Bill 912 would have a significant negative impact on the operations of the plant. Because of our participation in the PJM wholesale power market, adding significant additional costs to Wildcat Point would very likely make the plant uneconomic to run in many hours. As a result, power would simply be imported from other similar generation plants in other states.

ODEC CO₂ Reductions

ODEC is proud of our environmental record, and committed to further measures to protect the environment and the health of the people and communities we serve. Since 2005, ODEC has reduced its carbon dioxide intensity significantly. The CO₂ intensity of power generated by our plants and from purchased power is down 41 percent compared to 2005 levels. In fact, ODEC's carbon intensity is below the regional and national averages, and has been for some time.

Figure 2: ODEC CO₂ Intensity is down 41%, 2005-2019



ODEC Solar Generation Development

As the chart on page 1 shows, ODEC has a diverse mix of energy resources. And given changes in various technologies over the past several years, ODEC has been working to continue to evolve our generation mix to meet today's needs while planning for the future.

ODEC is in the process of building more than 100 MW of solar-powered generation, and we expect to request proposals from solar developers to build another 50-100 MW. ODEC is developing those solar resources in each state we serve, including Maryland. The cooperative is also exploring the use of battery storage technology in conjunction with some of these solar projects.

Conclusion

Again, ODEC is committed to being good stewards of the environment, but Senate Bill 912 would cause significant negative impacts on our members and to the Wildcat Point Generation Facility in Maryland without commensurate benefits, and we must therefore express our opposition to the bill before the Committee.

Respectfully Submitted,

Kirk Johnson
Senior Vice President, Member Engagement