



September 17, 2024

Ms. Kim Coble, Co-Chair  
Mr. Michael Powell, Co-Chair  
Mitigation Working Group  
Maryland Commission on Climate Change  
C/O The Maryland Department of the Environment  
1800 Washington Blvd.  
Baltimore, MD 21230

*Via Electronic Mail – mark.stewart1@maryland.gov*

**Re: New Tax Recommendations by the Mitigation Working Group**

Dear Chairs Powell and Coble:

The Maryland Coalition for Inclusive Energy Solutions (MCIES) understands the Mitigation Working Group (MWG) will meet on September 18, 2024, to consider recommendations of significant new taxes to the Maryland Commission on Climate Change (MCCC) as part of their recommendations to the Maryland General Assembly.

MCIES is a coalition of diverse stakeholders including representatives from organized labor, manufacturing, energy production, transportation, public utilities, etc., advocating for an inclusive and “all of the above” energy solution to accomplish Maryland’s energy goals. After reviewing the draft recommendations, which include an economy-wide cap-and-invest program, a fossil fuel transport fee, and a fee on historical emissions, we strongly oppose these measures, which would impose over \$1 billion in additional annual taxes to Maryland residents and businesses.

The Climate Solutions Now Act (CSNA) states that a plan to meet the longer-term goal of achieving net-zero greenhouse gas emissions should protect existing jobs and the State’s economic well-being. We believe these proposed taxes creating more than \$1 billion in new taxes in Maryland will not do this.

Maryland’s economy is struggling, and we anticipate new fees and taxes during the 2025 legislative session. There are also new state challenges since the CSNA was passed that should be considered as decisions to implement CSNA are made. Some of these challenges to government and Marylanders include:

- an 800%+ increase in the capacity auction price of electricity for the PJM market in Maryland for 2025-2026 leading to increased costs of electricity in Maryland next year;
- reductions in base load electric generation;
- delays in new solar and wind projects coming online in Maryland to provide needed renewable intermittent electricity for growing energy demands;
- local opposition to building out electric infrastructure in the state; and
- A growing state budget deficit.

Pursuing the goals of the CSNA must not come at the expense of Maryland's economic stability and the well-being of its residents.

MCIES respectfully urges the members of the Mitigation Working Group to reject the proposed recommendations for an economy-wide cap-and-invest program, a fossil fuel transport fee, and a fee for historical emissions. Thank you for considering our position.

Sincerely,

Sarah Peters

Executive Director, MCIES