





August 1, 2023

Regulatory and Customer Service Division Chief Wetlands and Waterways Protection Program Water and Science Administration Maryland Department of Environment 1800 Washington Boulevard, Suite 430 Baltimore, Maryland 21230

Re: Section 401 Water Quality Certification, 17-WQC-02, Constellation Energy Generation, LLC for the Conowingo Hydroelectric Project

## Dear Division Chief:

PJM Interconnection, L.L.C. ("PJM") has been informed by Constellation Energy Generation, LLC that the application of the conditions in the 2018 Section 401 Water Quality Certification (WQC) would result in the cessation of operations at the Conowingo Hydroelectric Project ("the Project") In response to the notice from the Maryland Department of the Environment issued on June 30, 2023, PJM provides this letter in support of the operational benefits to the PJM bulk power system that would result from the continued operation of the Project.

PJM takes no position on the water quality impacts of the nearly 100 year-old 582 megawatt ("MW") run-of-river, hydroelectric generating project, but supports its continued operation. The Project is located on the Susquehanna River in the state of Maryland.

PJM recently published an analysis<sup>i</sup> on system reliability.

Maintaining an adequate level of generation resources, with the right operational and physical characteristics, is essential for PJM's ability to serve electrical demand through the energy transition. Our research highlights trends below that we believe, in combination, present increasing reliability risks during the transition, due to a potential timing mismatch between resource retirements, load growth and the pace of new generation entry under a possible "low new entry" scenario. One of these trends is that thermal generators are retiring at a rapid pace due to government and private sector policies as well as economics. In addition, retirements are at risk of outpacing the construction of new resources, due to a combination of industry forces, including siting and supply chain, whose long-term impacts are not fully known.

The Project provides an important source of system reliability, and fuel diversity in Maryland and in the Eastern Mid-Atlantic region of PJM. Resources like Conowingo that start and operate on fuels other than natural gas are particularly valuable to PJM.

Please feel free to contact me if you have any questions on this matter.

Very truly yours,

Michael & Bysa

Michael Bryson

 $<sup>^</sup>i\ https://www.pjm.com/-/media/library/reports-notices/special-reports/2023/energy-transition-in-pjm-resource-retirements-replacements-and-risks.ashx$