

Exclusive Interview with the Maryland Public Service Commission's Jason Stanek

- 1. Please tell us about your interest in the Maryland Public Service Commission and how you arrived as its chairman? Also how did your background experience prepare you for this assignment?**

Jason Stanek: While the PSC is a relatively small agency and unknown to many, our work impacts the lives of Marylanders in so many ways. From setting utility rates to ensuring that the traveling public is safe, the PSC has a wide and diverse portfolio which makes my job both interesting and challenging. Prior to joining the PSC, I was a federal utilities regulator and a Congressional staffer on energy issues, so I was familiar with the role and responsibilities of the PSC. While I've had a variety of experiences during my career that influence how I examine and respond to regulatory issues at the PSC, I do my best to be thoughtful in my analysis and will fully evaluate all the positions before reaching a decision. I also try hard to collaborate with colleagues on issues where differences exist. That being said, while compromise and consensus-building is good, sticking with your principles is also important.

- 2. I've noticed that the PSC has taken an interest in the electric vehicle charging stations throughout Maryland. With the use of electric vehicles increasing and now the message that the PSC is encouraging greater usage, how in the world will the tax revenue currently earned by our government from purchasing gas and diesel products be replaced by free electricity charging stations?**

Jason Stanek: The state of Maryland has a policy goal of 300,000 electric vehicles on the road by 2025, which includes both full battery-electric vehicles and plug-in hybrids. In order to meet that, a number of State agencies are working together to promote greater EV adoption. The Commission recognized that we needed to help jump-start the deployment of public chargers around the state and study the potential impacts of EVs to the distribution grid. Range anxiety remains a real concern. EV drivers, or those thinking about buying an EV, want to be assured they'll have the juice they need for their daily commutes or to travel across long distances. The PSC's five-year [EV Pilot Program](#), which started in 2019, allows our regulated utilities to build a network of more than 5,000 chargers. That number is mostly made up of rebates and rate incentives for home chargers, but also includes nearly 1,000 utility-owned public charging stations. Those public charging stations aren't exactly free—EV drivers will pay so much per kilowatt-hour depending on the type of charger—with a goal of ultimately offsetting the pilot program's costs to utility ratepayers.

I would note that utilities also pay taxes and contribute to the state's vibrant economy. Take a look at [CNBC's recent report on Maryland's ranking](#) as the most improved state for business. The report recognizes the PSC's grid modernization efforts—which include the EV charging pilot—as contributing to that success. Maryland has one of the best-performing grids in the nation according to the U.S. Department of Energy. We got there by making smart decisions about infrastructure investments, improving reliability and making space for renewable energy growth. As we have seen the local and global

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impacts of climate change and the shift from fossil fuel generation to renewable sources, I believe there will be even more opportunities in Maryland for new, clean energy companies and new sources of revenue and jobs. As an EV owner and advocate, I believe EV adoption will have tremendous benefits for Maryland in the long run—a cleaner, more resilient grid, reduced greenhouse gas emissions leading to a cleaner, healthier environment for our citizens, and enhanced economic development potential.

- 3. Your Public Conference 52 (PC52), which encourages diverse supplier spend throughout your regulated industries of energy, communication and transportation and its subscribing companies just reported a combined spend of \$1.2 billion for 2020, which is the highest it's ever been since the program's inception in 2009. However, some of the companies did not crack the minimum spend of 25% of total spend in Maryland. How can, in your opinion, those companies that did not meet the minimum spend do better and reach it?**

Jason Stanek: *First, I would note that participation in the [Supplier Diversity program](#) is 100% voluntary. The participating companies have signed an MOU committing to diverse procurement goals and targets. Much of the credit for the success and evolution of this program goes to Commissioner Emeritus Harold Williams, who was its champion from the very beginning. Now, and even before he rose to the bench, my colleague, Commissioner Obi Linton, carries on that legacy. The Maryland PSC is very proud of the progress companies have made over the years – including a record diverse spend, in terms of dollars and ratio, for the third year in a row, and new categories of diverse suppliers with which utility companies can engage. Stretching the tent poles is good for Maryland's utilities, its customers and our state's overall business climate. Despite the program's success, as we heard in the Commission's most recent annual hearing, we know that the COVID-19 pandemic has had an impact on some companies' abilities to network, establish new business relationships, and meet the program goals. I am optimistic that when the effects of the pandemic begin to subside, we will see spending with diverse suppliers increase and set new records.*

- 4. What is the PSC's role with Maryland's new Offshore Wind renewable energy industry?**

Jason Stanek: *The Commission is responsible for determining if these proposed wind farms will be awarded offshore wind renewable energy credits, or ORECs. These are ratepayer-funded subsidies approved by the legislature as a financing mechanism to spur development in this industry and to help Maryland achieve its aggressive clean and renewable energy goals. The monthly bill impacts to utility customers are capped by state law and the Commission cannot award ORECs to a project if it goes over those caps. In May 2017, the Commission awarded ORECs to two projects located off the coast of Ocean City – Skipjack Offshore Energy and US Wind – for a total of 268 MW in capacity as part of the first round of procurement. The projects have the potential to yield over \$1.8 billion of in-state spending, spur the creation of almost 9,700 new direct*

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and indirect jobs and contribute \$74 million in state tax revenues over 20 years. I would point out that the creation of opportunities for minority-owned businesses was a key condition of the Commission's approval of the ORECs, and the developers have to report their progress on that to us every six months. The Maryland legislature's Clean Energy Jobs Act of 2019 expanded the carve-out for offshore wind in the state's Renewable Portfolio Standard, calling for an additional 1200 MW of offshore wind. The Commission recently received applications for this second round of development—that review process is currently underway in Case No. [9666](#).

Hopefully your readers are already aware that there are resources for businesses looking to support the offshore wind industry. For example, the [Business Network for Offshore Wind](#) is a tremendous partner for businesses seeking to leverage opportunities in this burgeoning industry by providing important supply chain connections, training and networking. They will have some exciting announcements coming up soon about their Foundation 2 Blade program. The [Arcon Training Center](#) in Salisbury launched this year to provide safety training for offshore wind workers, who will have to climb tremendous heights over the deep waters of the Atlantic Ocean. The Commissioners and I recently visited the [Maritime Institute of Technology and Graduate Studies](#) to experience how mariners safely navigate vessels through a field of wind turbines using a simulator. Fortunately, I didn't crash into anything! We're also very proud that our 2017 order required developers to invest in Maryland's port infrastructure. The investment in the Baltimore area's [Tradepoint Atlantic](#) as a logistics hub and steel fabrication plant is one of the important benefits to Maryland as part of the award of ORECs to these projects.

5. What makes you proud about Maryland?

Jason Stanek: *I am proud that Maryland is the birthplace of the ice cream industry! But more importantly, I am proud that I live and work in a state that is committed to promoting clean energy, combating climate change, and supporting the development of technologies that will enable us to reach these goals. We've made noticeable progress in recent years and I fully expect that Maryland will continue to be a national leader on these very important issues.*