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Maryland PSC Advances Virtual Power Plants and Grid Modernization

Order establishes new work group, sets deadlines for data exchange and DER integration

BALTIMORE, MD [May 6, 2026] – The Maryland Public Service Commission (PSC) today issued an order outlining key directives for Maryland’s electric utilities and stakeholders to accelerate the implementation of virtual power plants (VPPs) in order to provide benefits to utility ratepayers and modernize the electric grid. The order provides guidance on Maryland’s state-level VPP framework as well as addressing state-level actions to support implementation of the Federal Energy Regulatory Commission’s (FERC) Order No. 2222, emphasizing the need for cost-effective solutions to meet rising energy demands and climate objectives.

"The Commission emphasizes the importance of implementing VPPs quickly and effectively in Maryland to help mitigate the impact of rising energy costs to consumers while meeting the state’s climate goals," said Commission Chair Kumar P. Barve. "While the Commission acknowledges that the process of implementing VPPs in Maryland may not result in immediate relief, this order and subsequent work by Maryland stakeholders will lay a foundation for reducing costs by maximizing the use of existing grid infrastructure, allowing the state to meet rising electricity demand with affordable, clean solutions."

In addition to laying groundwork for Maryland’s VPP regulatory environment, today’s order represents another step on the path forward for state-level integration with mandates laid out at the federal level through FERC Order 2222, which requires Maryland’s regional electric grid operator, PJM Interconnection, to allow distributed energy resources (DERs) - like rooftop solar, batteries, and electric vehicles - to participate in wholesale electricity markets. The aggregation of multiple smaller resources enables competition, helps lower consumer energy costs and improves grid reliability.

Key Decisions and Directives:

Data Exchange and Customer Access

The Commission established a new **Data Exchange Work Group (DEWG)**, led by its Technical Staff, to develop the framework for a statewide Green Button Connect My Data (GBC)-compliant data exchange platform.

- The work group is directed to file draft regulations for third-party access to customer data and criteria for a request for proposals (RFP) for the GBC-compliant platform within **six months**.

Distributed Energy Resource (DER) Registry

Acknowledging the need for aggregator access to DER data, the order directs the work group to scope the potential integration of a central, public-facing DER Registry with the new data exchange platform.

- The Exelon Utilities (BGE, Pepco, Delmarva) and Potomac Edison are directed to provide **quarterly confidential DER registration reports** to the Commission and Staff, ensuring data collection aligns with forthcoming VPP regulations.
- **Aggregator Access:** Maryland-licensed DER Aggregators (DERAs) shall have access to all PJM-required information held exclusively by the electric utilities no later than **January 1, 2028**.

Distributed Energy Resource Management Systems (DERMS) are platforms necessary for the management and optimization of the operation of various DERs and VPPs across the grid. The Commission declined to accelerate the existing DERMS deployment timelines for the utilities but emphasized the importance of stakeholder engagement and coordination. Electric utilities are required to provide annual status updates to the Commission on the development of their distributed energy resource management systems, with the first report due **October 10, 2026**.

Other Key Directives

- **Device-Level Metering and Communications:** The Commission's Interconnection Work Group is directed to further examine metering and submetering technologies and develop proposed regulations for device-level metering and communications protocols. Device-level metering can allow DERs to be compensated for providing grid services without requiring an additional utility meter for the device.
- **SMECO Participation in FERC Order 2222:** The Commission explicitly permits end-use customers in Southern Maryland Electric Cooperative's (SMECO) territory to participate in FERC Order 2222, effective no later than **January 1, 2030**.
- **Cybersecurity:** The Commission allows more time for the Office of Cybersecurity, in collaboration with utilities and the Cybersecurity Reporting Workgroup, to develop draft regulations.

[Order No. 92398 in Case No. [9778](#).]

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), private water and sewer companies, passenger motor vehicle carriers for hire, taxicab companies in some jurisdictions and bay pilot rates. The Commission implements the State's energy policy and also regulates the siting of energy generating facilities and high-voltage transmission lines.

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