



**OPPOSE – House Bill 1008
Imposition of a Fossil Fuel Transportation Fee
House Environment and Transportation Committee**

Columbia Gas of Maryland, Inc. opposes House Bill 1008, which imposes a new fossil fuel transportation tax on a person that transports a fossil fuel in Maryland. Under the proposed legislation, the new tax is 30 cents per Million British Thermal Unit (MMBtu). At the current levels of natural gas consumption by our customers, **Columbia estimates this tax will cost our customers more than \$1.97 million dollars per year.**

This legislation places a new tax burden on Marylanders who use natural gas to heat their homes, cook their food, bathe and shower, clean their clothes and homes, and energize their businesses. The tax would be passed down to natural gas utility customers creating higher bills for Marylanders.

The proposed tax on homes and businesses using natural gas will place additional financial burdens on more than 1.2 million Maryland natural gas customers. The legislation penalizes the role natural gas can continue to play in achieving GHG emissions reductions and energy reliability in Maryland.

Columbia believes that we will and must be part of a clean energy future that benefits all of Maryland and its residents. Diversity ensures the strength and resilience of any system. That is why it is essential for Maryland's energy industry to leverage a diverse array of energy sources to ensure an equitable energy future for all. Columbia's infrastructure positions us to deliver those diverse energy sources, including low-carbon alternative fuels, to our customers safely and economically. We can also be a strong partner to deliver emissions reductions and utility bill savings through enhanced energy efficiency programs. However, punitive new taxes on our energy product chosen and used by more than 34,000 customers in our western Maryland service territory and more than a million Maryland customers throughout the state reduces its affordability and is not reasonable public policy.

Columbia Gas wishes to make clear that its company leadership believes climate change is real, and we are committed to reduce the greenhouse gas emissions of our operations and pursue opportunities to reduce customer emissions. However, that change must happen within the confines of the reality with which our energy is produced, delivered and consumed.

The requirements of HB 1008 are not in line with affordability and an equitable energy future for all Marylanders, and consequently Columbia Gas cannot support HB 1008 as appropriately crafted policy on greenhouse gas emission reductions, and therefore urges an unfavorable report.

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Contact:
Carville Collins
(410) 580-4125
carville.collins@dlapiper.com

Contact:
Pete Trufahnestock
(717) 903-8674
ptrufahnestock@nisource.com