

STATE OF MARYLAND

SENATE BILL 656

PUBLIC BILL HEARING

February 25, 2020

Written Testimony of Nina Dodge
In Support of
Senate Bill 656

I am Nina Dodge, here to testify in support of Senate Bill 656 (“SB 656”), based upon my years of experience before the Public Service Commission of the District of Columbia (“DC Commission”), bringing climate-related issues into energy utility regulation proceedings.¹ My testimony focuses on the climate-related provisions of SB 656 which I believe to be both substantively critical, and well-formulated.

1. Simply put, the State of Maryland cannot achieve its climate commitments without giving its energy utility regulators the statutory authority to factor climate change and the reduction of greenhouse gas emissions into their decision making. The Maryland Public Service Commission (“MD Commission”) is a key implementor of State energy policy by virtue of its role in regulating energy utilities, so its mandate must be clearly aligned with State climate policy if such policy is to succeed.

¹For eight years I have intervened in Formal Cases and other proceedings of the Public Service Commission of the District of Columbia (“DC PSC”) as an authorized representative of DC Climate Action, bringing climate-related issues to the regulation of both electricity and natural gas, in rate cases, infrastructure cases, rate design and energy systems modernization cases.

DC Climate Action (“DCCA”) is a civic association that advocates for policies in the District of Columbia (“D.C.”) that promote clean, affordable, and reliable energy for all of D.C., and that mitigate climate global warming by reducing greenhouse gas emissions. I have represented DCCA in DC PSC proceedings including Formal Case (“FC”) 1114, FC1115, FC1116, FC1123, FC 1130, FC1137, FC1150, FC1154. DCCA’s work was cited by the DC PSC in their Order launching their proceeding Modernizing the Energy Delivery System for Increased Sustainability, known as “MEDSIS”, now, “PowerPath DC”. In addition, I represented DCCA on two DC PSC-ordered, follow-up Task Forces/Working Groups and a Community Advisory Group relating to the implementation of aforementioned FC1116 and FC1123. For five years, through 2015, I represented DCCA on the DC PSC’s Advanced Metering Infrastructure Task Force. I was a member of the Grid2.0/Sierra Club DC’s intervention team in FC1103. Currently, I represent the environmental sector on the District of Columbia’s Sustainable Energy Utility Advisory Board, a Mayoral appointment.

2. The experience in the District of Columbia would indicate that the MD Commission’s existing environmental mandate is not sufficient to support the State’s public climate commitments, being limited to “conservation of natural resources” and the vague statement “the preservation of environmental quality”.

Until last year, the District of Columbia Public Service Commission (“DC Commission”) had a similarly-worded environmental mandate, which provided Commissioners neither sufficient authority nor guidance to factor climate change and the reduction of emissions needed to exercise regulation that could align with District climate goals. A recent chair of the DC Commission pointed to the difference in regulatory implications between “conservation” and “emissions reduction” and how taking on the latter would involve a new way of doing business.

3. In December 2018, the District enacted the Clean Energy DC Omnibus Act, which broadened the DC Commission’s mandate to include, among its statutory responsibilities, the consideration of climate change and the District of Columbia’s public greenhouse gas reduction commitments.²

The District’s new mandates have already had a tangible impact on aligning the Commission’s utility regulation with the District’s climate goals. In the ten months since it was given its broadened authority, its new climate mandate regularly informs the DC Commission’s framing of its Orders and Notices in electricity and natural gas utility cases and how it approaches issues. The following are two examples of how the new legal provisions are enabling DC regulators to advance the District’s policy goals.

(a) In a December 2019 ruling, the DC Commission declined a request by Washington Gas Light (“WGL”) to extend a natural gas subsidy pilot, citing the new mandate requiring the Commission to consider the request “in light of its effects on global climate change and the District’s public climate commitments.”³

² <https://dcpsec.org/PSCDC/media/Images/Clean-Energy-DC-Omnibus-Amendment-Act-of-2018.pdf>

³ See DC PSC Formal Case 1137, Order No. 20263 of December 5, 2019 <https://edocket.dcpsec.org/apis/api/filing/download?attachId=88933&guidFileName=cf7a0ebc-d182-401e-9271-810cb9c7e073.pdf>

(b) In September 2019, the DC Commission issued a public Notice of Inquiry in order to establish a carbon footprint assessment framework for considering the effects of a utility proposal on global climate change and emissions reductions⁴.

4. As a final note, based on District of Columbia experience before and after its Commission's mandates were expanded, I recommend that as in the District of Columbia⁵, the State of Maryland consider applying proposed provisions in SB 656 to both its regulatory bodies, i.e., the Maryland Office of the People's Counsel ("MD OPC") as well as the Commission. This would allow the MD OPC a more informed basis for balancing current cost effectiveness and affordability of power for ratepayers against the future harm of global warming to the health, economy and welfare of generations to come.

In sum, the Public Service Commission being a central implementing body on energy policy by virtue of regulating the energy utilities, it is critical that Maryland align the authority and mandates of the Commission with the State's climate commitments if the State is to meet its goals. The current mandate of the Commission is insufficient. The provisions proposed in SB 656 for Maryland's Commission and potentially for its Office of the People's Counsel, will remove a major barrier to meeting Maryland's climate commitments, to the significant benefit of its ratepayers and its people now and in the future.

Respectfully submitted,

s/ _____

Nina Dodge
6004 34th Place, NW
Washington, DC 20015
Ndodge432@gmail.com

⁴ *GD2019-04-M, In the Matter of the Implementation of the 2019 CleanEnergy DC Omnibus Act Compliance Requirements ("GD2019-04-M")*, Notice of Inquiry, rel. September 26, 2019.

<https://edocket.dcpsec.org/public/search/casenumbr/gd-2019-04>

Updated: <https://edocket.dcpsec.org/apis/api/filing/download?attachId=100935>

⁵ <https://dcpsec.org/PSCDC/media/Images/Clean-Energy-DC-Omnibus-Amendment-Act-of-2018.pdf>
Sec. 102, p.5. (DC OPC provision), Sec. 103, p.5 (DC PSC provision)