



February 4, 2021

**HOUSE ECONOMIC MATTERS COMMITTEE
HB 30 – Public Utilities – Office of Climate Counsel – Establishment**

Statement in Opposition

Chesapeake Utilities Corporation (“Chesapeake Utilities”) respectfully OPPOSES HB 30 which, among other things, would establish the position of Climate Counsel in the Office of Climate Counsel, due to this legislation increasing costs to ratepayers and delaying regulatory proceedings.

First, HB 30 will increase costs to ratepayers. All the costs and expenses of the Office of Climate Counsel will be borne by the public service companies that are subject to the jurisdiction of the Maryland Public Service Commission (“the Commission”). These costs, listed below, will ultimately be borne by the ratepayers of these public service companies:

- The compensation and expenses of all personnel in the Office of Climate Counsel;
- The costs of retirement contributions, Social Security, health insurance and other state benefits for all personnel in the Office of Climate Counsel;
- All maintenance and operation costs of the Office of Climate Counsel; and
- All other direct and indirect costs of the Office of Climate Counsel.

Ratepayers already bear the costs described above for the Office of People’s Counsel and the Commission.

Second, HB 30 will only increase the length of regulatory proceedings. All regulatory proceedings before the Commission require that the Office of People’s Counsel and the Commission Staff participate. In addition, any environmental advocacy group may intervene in any regulatory proceeding to protect its interests. HB 30 requires that the Climate Counsel in the Office of Climate Counsel become a mandatory participant in all regulatory proceedings. This is unnecessary, is unduly burdensome and will only expand the length of regulatory proceedings, which in turn will also increase ratepayer costs.

Finally, HB 30 is a solution in search of a problem. Under current law, Commission Staff is required to complete the record in all proceedings. Chesapeake Utilities is unaware of widespread examples of the Commission failing to consider environmental issues when appropriate. The Commission is an independent state agency that is appropriately focused on regulating public utilities. In addition, the Maryland Department of the Environment (“MDE”) is the state agency that is charged with enforcing Maryland’s environmental laws, and MDE regularly intervenes in Commission proceedings. As such, it is unclear how the position of Climate Counsel in the Office of Climate Counsel is anything other than duplicative.

For the reasons stated above, Chesapeake Utilities respectfully requests that your Committee give HB 30 an unfavorable report.