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Appropriations Committee

Subcommittees

Capital Budget

Chair, Transportation and the
Environment

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

Office of People's Counsel Environmental Reform Act (HB 30)

Testimony of Delegate Marc Korman-Favorable

Thank you Madam Chair, Mr. Vice Chair and members of the Finance Committee. I come before you today to present the Office of People's Counsel Environmental Reform Act (HB 30). As amended, the legislation requires Maryland's Office of People's Counsel (OPC) to consider environmental concerns as part of its mission to represent residential ratepayers before the state's utilities regulator, the Public Service Commission (PSC).

For nearly a century, the OPC has provided valuable advocacy on behalf of Maryland's residents on ratepayer issues. Interestingly, residential ratepayer issues are not clearly defined. The bill before you would define the interests of residential ratepayers as including public safety, economic welfare, and environmental interests, adopting language other state's Offices of People Counsel use.

Why environmental interests? As this committee knows, the Maryland Department of Environment estimates that electricity use accounts for 31% of the state's Greenhouse Gas emissions.¹ Given the integral role the PSC plays in regulating electricity use and the electric industry in Maryland, Marylanders deserve to have an advocate with the PSC who is looking out for the state's environmental interests.

The legislation requires that the OPC hire at least one assistant people's counsel who will focus on environmental issues and empowers the OPC to represent and advocate for the environmental interests of Maryland and its residents on all matters before the PSC. The accompanying fact sheet details several instances in which the OPC's public comments on PSC rulings focused primarily on ratepayer impacts in terms of cost and did not analyze the proposal's environmental impacts, even though they are also important to ratepayers.

¹ "State of Maryland 2017 Greenhouse Gas Emission Inventory Documentation," Maryland Department of Environment, n.d., <https://mde.maryland.gov/programs/Air/ClimateChange/Documents/MD%202017%20Periodic%20GHG%20Emissions%20Inventory%20Documentation.pdf>.

As part of the environmental mandate, the legislation adds the OPC to the Commission on Climate Change and Zero Emission Electric Vehicle Infrastructure Council, and makes clear that climate and environmental experts can be hired by the OPC to assist in their work.

The bill also grants OPC an increase to its operating expense cap proportional to the one received by the PSC last year. As you know, the PSC and OPC are ultimately funded by a percentage of gross operating revenues of the regulated utilities.

As amended, my understanding is that the major utilities in Maryland no longer oppose the bill and it has the backing of our new People's Counsel—pending his confirmation—David Lapp. I urge a favorable report.