



Committee: Economic Matters
Testimony on: HB0731 - Natural Gas - Strategic Infrastructure Development and Enhancement (Ratepayer Protection Act)
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Laurie McGilvray, Co-Chair
Position: Favorable
Hearing Date: February 29, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB0731. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of nearly 30 grassroots and professional organizations, urges you to vote favorably on HB0731.

HB0731 amends the current Strategic Infrastructure Development and Enhancement Plan (STRIDE) law passed in 2013 to focus on public risk and cost-effectiveness. The law was originally intended to allow gas utilities to add a surcharge to customers' monthly bills to ensure accelerated cost recovery for a safe gas system. More than a decade of experience has revealed that gas utilities prioritized investment in gas system expansion and replacement, and the associated profits, over fixing the riskiest pipes.

The Maryland Office of the People's Counsel says that since 2014, gas utilities have spent more than two billion dollars under the STRIDE law on new gas infrastructure, and will spend a total of nearly 10 billion to complete the program. Maryland ratepayers are on the hook to cover these costs, as well as additional profits for utilities, amounting to 40 billion over the life of the program.

Utility investments in new gas infrastructure are not only costly, but are taking Maryland in the wrong direction. The current STRIDE law has committed ratepayers to the long-term maintenance of a gas system when we should be investing in clean renewable energy. To solve this problem, HB0731 amends STRIDE to limit gas utility investments to the replacement of aging pipes with the highest risk for failure, while still allowing them to receive accelerated cost recovery. The bill also requires gas utilities to use less costly alternatives than replacement where appropriate. Utilities must compare the cost of replacement with alternatives such as leak detection and repair or targeted retirement of portions of the gas system in conjunction with electrification.

HB0731 updates the STRIDE law to align with Maryland climate policy and save customers money over the coming decades. The MLC Climate Justice Wing strongly supports HB0731 and urges a **FAVORABLE** report in Committee.

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Adat Shalom Climate Action

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility

Climate Parents of Prince George's

Climate Reality Project

ClimateXChange – Rebuild Maryland Coalition

Coming Clean Network, Union of Concerned Scientists

DoTheMostGood Montgomery County

Echotopia

Elders Climate Action

Fix Maryland Rail

Glen Echo Heights Mobilization

Greenbelt Climate Action Network

HoCoClimateAction

IndivisibleHoCoMD

Maryland Legislative Coalition

Mobilize Frederick

Montgomery County Faith Alliance for Climate Solutions

Montgomery Countryside Alliance

Mountain Maryland Movement

Nuclear Information & Resource Service

Progressive Maryland

Safe & Healthy Playing Fields

Takoma Park Mobilization Environment Committee

The Climate Mobilization MoCo Chapter

Unitarian Universalist Legislative Ministry of Maryland

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