



HoCoClimateAction.org
Howard County, Maryland

**HB0731: Natural Gas - Strategic Infrastructure Development and Enhancement
(Ratepayer Protection Act)**

Hearing Date: February 29, 2024

Bill Sponsor: Delegate Embry

Committee: Economic Matters Committee

Submitting: Ruth White for Howard County Climate Action

Position: Favorable

[HoCo Climate Action](#) is a [350.org](#) local chapter and a grassroots organization representing approximately 1,400 subscribers. It is also a member of the [Climate Justice Wing](#) of the [Maryland Legislative Coalition](#). We are thrilled with this initial step toward long overdue STRIDE reform, and urge passage of HB0731.

The STRIDE Act of 2013 allows gas utility companies to charge customers a small fee to ensure gas utility safety. Reform is needed because utilities are using the current \$2.00 surcharge to replace all pipes without prioritizing them for safety risk.

Maryland gas utilities have spent more than two billion dollars on new gas infrastructure under the STRIDE program since 2014 and will spend nearly 10 billion total to complete the program. Utilities are ignoring the state's Climate Solutions Now goals to reach netzero by 2024, a goal which is only possible if the state moves significantly to building electrification.

“The utilities get guaranteed returns by law just for spending money. That is a cushy situation that no other business in any capitalist society enjoys” (quote from [Volts Podcast](#) with [Marissa Gillett](#), head of the CT utility regular, who worked for 7 years in the MD Public Service Commission). This bill establishes long overdue guidelines for STRIDE spending. The question is stark - whose priorities will prevail: the pocketbooks and well-being of their Maryland customers or the utilities business plans which profit their shareholders?

As David Lapp, head of the Office of the People's Counsel said in a recent [Baltimore Sun](#) article: “BGE is investing in its gas system at twice the rate of its electric system. The utility is currently just one-third of its way through replacing its entire legacy gas system — a program that will take another 20 years to complete, finishing up right around the time when the state mandates net-zero greenhouse gas emissions.”

As this [Abell Foundation report from December 2023](#) indicates: “... the state's regulated gas suppliers are engaged in a decades-long, state-sanctioned gas infrastructure spending spree that directly contradicts Maryland's legislatively-mandated climate goals and threatens to saddle

a dwindling number of ratepayers with billions in costs for decades to come, with the impacts likely disproportionately felt by those least able to afford them.”

This bill requires gas utilities to implement new gas leak detection technologies when cost effective, and to apply a “fix it first” approach rather than installing costly new infrastructure. It also requires the utilities to give customers 2 years’ notice before the work begins in their community.

HB0731 is a commonsense reform that helps to ensure that ratepayers are receiving cost-effective solutions to gas leak problems while allowing state regulators to monitor gas utility spending more effectively.

We urge passage of HB0731, providing moderate reform to STRIDE, to better align utilities priorities with Maryland’s priorities.

Howard County Climate Action

Submitted by Ruth White, Steering and Advocacy Committee

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