



February 22, 2024

Utility Transparency & Accountability Act (SB682)

Position: FAVORABLE

Dear Chairman Feldman and Members of the Education, Energy, and the Environment Committee,

350.org is a global nonprofit organization dedicated to ending our dependence on fossil fuels by ushering in a fast and just transition to renewable energy. We write today in strong support of the Utility Transparency & Accountability Act (SB682), which will restrict how investor-owned utility companies can spend ratepayer money and establish important transparency requirements in Maryland.

Utilities can and need to be part of the solution to the climate crisis. But many of their actions, such as charging ratepayers for dues to fossil fuel trade associations like the American Gas Association¹ and the Edison Electric Institute,² demonstrate the need to hold utilities accountable for blocking the transition to renewable energy while raising rates on working families.

Last year, Colorado, Connecticut, and Maine passed legislation to prohibit utility companies from charging ratepayers for their political activities in those states.³ Maryland should join this growing trend to protect ratepayers and hold utilities accountable for their spending by passing the Utility Transparency and Accountability Act.

This legislation will bar investor-owned utilities from passing certain costs onto Maryland ratepayers, including the costs of their lobbying and other attempts to influence public opinion, elected officials, and appointees; trade association dues; advertising; board member expenses; and gifts. Instead, the utilities would be required to pay for these expenses out of shareholder profits. The Utility Transparency and Accountability Act will also require utility companies to submit an annual report outlining these expenses to increase transparency and compliance and relieve the burden on consumer advocates and state agencies.

We strongly urge a favorable report on this bill.

Sincerely,
Taylor Smith-Hams
US Senior Organizer

¹ Jeff Brady and Dan Charles. As Cities Grapple With Climate Change, Gas Utilities Fight To Stay In Business. NPR. 22 February 2021. <https://www.npr.org/2021/02/22/967439914/as-cities-grapple-with-climate-change-gas-utilities-fight-to-stay-in-business>

² Benjamin Storrow and Timothy Cama. Utility group taps Trump official as next CEO. Is it backsliding on climate? E&E News. 7 September 2023. <https://www.eenews.net/articles/utility-group-taps-trump-official-as-next-ceo-is-it-backsliding-on-climate/>.

³ Akielly Hu. Connecticut bans utilities from billing customers for lobbying efforts. Grist. 3 July 2023. <https://grist.org/politics/connecticut-bans-utilities-from-billing-customers-for-lobbying-efforts/>.