



SB0682

**Limitations on Cost Recovery by Public Service Companies and Reports on Votes Cast at Meetings of Regional Transmission Organizations (Utility Transparency and Accountability Act)
Testimony before Education, Energy, and the Environment
Hearing February 22, 2024**

Position: Favorable

Dear Chair Feldman, Vice Chair Kagan, and members of the committee, my name is Liz Feighner, and I represent the 700+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members).

We are providing written testimony today **in support of SB0682**, which would restrict how investor-owned utility companies can spend ratepayer dollars and adds important transparency requirements. **SB0682** addresses several issues: the widespread use of ratepayer dollars to lobby to oppose electrification, and Maryland utilities the lack of transparency on policy positions they take at PJM.

Indivisible Howard County supported the Climate Solutions Now Act of 2022 (CSNA) and joined a campaign to electrify all new buildings in Howard County. We were frustrated when the portion of the CSNA to electrify all new buildings was turned into a study. We believe the utilities used their influence in Annapolis with an army of lobbyists to weaken the bill. The utilities have a right to lobby, but our concern is that in many cases they are using ratepayers dollars to lobby against landmark climate policies essential to the public interest and meeting the State's climate goals.

For example, not only did the utilities lobby against the CSNA, Energy & Policy Institute [documented](#) how BGE, the state's largest gas and electric utility, **lobbied against electrification policies** in Howard in 2023. Records highlight BGE's involvement in providing testimony and talking points for a county council member against the passage of CB5. Several other groups provided testimony in opposition to CB5 for which BGE is a member or has connections to BGE. Eventually, the Howard County Council passed the Clean New Buildings Climate Act (CB5-2023) to put the county on the pathway to all-electric new buildings despite BGE's lobbying.

For the post-hearing brief on [Case No. 9704](#), the Office of the People's Counsel indicated Washington Gas spent \$633,476 on **membership dues** to the American Gas Association (AGA) in 2022, and \$271,865 of that came from Maryland ratepayers. AGA regularly engages in lobbying efforts to stop the expansion of renewable energy and pad their profits. [Pepco](#), [BGE](#), [Delmarva Power](#), and [Potomac Edison](#) each request hundreds of thousands of dollars for trade association dues to be paid for by ratepayers.

During the [2023 state legislative session](#), Baltimore Gas and Electric (BGE) reported spending over \$338,000 on lobbying efforts, Pepco reported spending over \$358,000, and Washington Gas reported spending over \$165,000.

Last year, [Colorado](#), [Connecticut](#), and [Maine](#) passed similar legislation to prevent utility companies in those states from using ratepayer money for political activities.

Finally, we are concerned about the lack of transparency for electrical grid policy decisions made by our regional transmission organizations (RTO) known as PJM. While decisions made at PJM significantly affect rates and our state's ability to meet our climate goals, the decision making process is not transparent and votes by utilities are not public.

Specifically, the bill:

- **More clearly defines lobbying and how utility companies can use ratepayer money, closing loopholes that are being exploited by utility companies.** Stops utilities from using ratepayer dollars for lobbying and attempts to influence public opinion and elected officials and appointees; trade association dues; advertising; board member expenses; and gifts. Requires utility companies to submit an annual report outlining all expenses related to these activities.
- **Requires all utilities to be part of a regional transmission organization.** RTOs are important bodies to help coordinate electricity generation and transmission across state lines. Utilities are currently paid a bonus to encourage joining RTOs. If they are required to join, then ratepayers will no longer have to pay for this bonus.
- **Requires a public record of all RTO votes cast by utility companies along with a description of how each vote benefits the public interest.** This information is currently private, meaning that the public and lawmakers have no way of knowing what our utility companies are advocating for or opposing at this critical body.

Transparency is good governance and does not cost much to utilities or the state. Thank you for your consideration of this important legislation.

We respectfully urge a favorable report for SB0682.

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