



**February 6, 2025
Economic Matters Committee**

**HB 0419
Natural Gas - Strategic Infrastructure Development and Enhancement
(Ratepayer Protection Act)
Lead Sponsor: Delegate Elizabeth Embry**

**Katie Mettle
Policy Principal, Advanced Energy United**

FAVORABLE

Dear Chair Wilson, Vice Chair Crosby, and esteemed members of the Economic Matters Committee:

Advanced Energy United (“United”) is an industry association that represents companies operating in the clean energy space. Our membership encompasses a broad range of products and services that constitute the best available technologies for meeting our energy needs today and tomorrow, including in energy efficiency, demand response, geothermal, heat pumps, and smart grid technologies. Our mission is to accelerate the transition to 100% clean energy and electrified transportation.

HB 419 adds guardrails to the existing STRIDE program, to ensure that the gas infrastructure improvements which benefit from the program are “necessary and appropriate to ensure the safety of the gas system and to provide consistency with State climate policy.” United believes these guardrails are reasonable and necessary to support Maryland’s transition to affordable, clean and efficient buildings.

The existing STRIDE program allows gas companies to accelerate their financial recovery from ratepayers when they spend money on gas infrastructure improvements without project-by-project scrutiny by regulators and stakeholders. Over the last decade, we have seen the cost of gas delivery increase rapidly and dramatically. In this new era of load growth, affordability pressures, resilience and reliability challenges, and clean energy transition, Marylanders cannot afford excess spending by their utilities.

HB 419 will not remove a gas company's obligation, nor its ability, to make critical safety and reliability improvements to gas infrastructure. Gas companies will still have the ability to recover their spending through the rate case process. In addition, they will still have the ability to take advantage of the STRIDE program if they can demonstrate their planned upgrades are necessary, in accordance with the stipulations of the bill.

We support this bill because it will lower gas delivery costs for ratepayers, continue to allow necessary infrastructure improvements for safety, and will avoid utility overspending on gas infrastructure assets that are at higher risk of becoming stranded as our state progresses towards meeting our climate goals. Avoiding stranded assets will protect ratepayers in the long term, especially the most vulnerable (e.g. low-income households, fixed-income seniors, and renters).

We respectfully request the Committee issue a favorable report. Thank you for your time.

Best Regards,

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