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COMMITTEE: EDUCATION, ENERGY, AND THE ENVIRONMENT

TESTIMONY ON: SB756 ELECTRIC COMPANIES, GAS COMPANIES, GAS AND ELECTRIC COMPANIES, AND WATER COMPANIES – PERIODIC AUDITS

POSITION: OPPOSE

HEARING DATE: February 20, 2025

Washington Gas respectfully submits this statement in **OPPOSITION** to **Senate Bill 756, which mandates periodic audits of electric, gas, and water utilities in Maryland.** While we support transparency and accountability in utility operations, this legislation is unnecessary and duplicative of existing regulatory requirements. Washington Gas is already required to undergo an annual audit on its STRIDE expenditures in Maryland per the Commission's Orders.

Washington Gas has provided safe, reliable, and affordable natural gas service for over 175 years, serving more than 500,000 Maryland customers across multiple counties. We are already subject to rigorous oversight by the Maryland Public Service Commission (PSC), which requires utilities to submit extensive operational and financial reports, participate in regular rate case proceedings, and undergo compliance audits.

SB 756 would impose costly additional and redundant auditing requirements, diverting resources away from infrastructure improvements, safety enhancements, and customer service. The information outlined in the bill—such as rate adjustments, customer usage trends, and billing practices—is already reviewed by the PSC through existing mechanisms. Further, the bill does not articulate a clear need for these additional audits or how they would provide meaningful benefits to customers beyond what is already in place.

At a time when Maryland's energy sector is focused on modernizing infrastructure, enhancing service reliability, and achieving state climate goals, imposing unnecessary regulatory burdens risks slowing down these critical efforts. Instead of duplicating existing reporting requirements, we encourage policymakers to focus on collaborative approaches that ensure transparency while allowing utilities to efficiently invest in Maryland's energy future.

For these reasons, Washington Gas respectfully requests an UNFAVORABLE report on SB 756. Thank you for your time and consideration.

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