

SB0998

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

Testimony before the Education, Energy, and the Environment Committee Hearing March 13, 2025

Position: Favorable

Dear Chair Feldman and Vice-Chair Kagan, and members of the committee, my name is Peter Alexander, and I represent the 900+ 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 <u>in support of SB0998.</u> We appreciate the leadership of Senator Washington and her colleagues in sponsoring this legislation.

The STRIDE Act of 2013 allows gas utility companies to charge customers a small fee to ensure gas utility safety. However, it lacked critical safeguards on spending, exacerbating an existing incentive to overinvest in new infrastructure with the unintended consequence of encouraging gas utilities to make massive investments in new gas infrastructure, without taking steps to ensure safety, cost effectiveness, and locking in large charges for captive customers both short and long term, well beyond the original \$2 fee. A gas pipeline program that properly prioritizes gas leaks will cost less, meaning smaller bill increases, while also making our communities safer. Our gas utilities need to fulfill their obligation to provide safe and affordable energy to Maryland homes, without expecting additional financial incentives from customers.

The 2022 Climate Solutions Now Act mandates Maryland to shift away from fossil fuels, but spending on new gas infrastructure diverts much-needed investment in clean, renewable energy programs.

SB0998, which would implement the recommendations of the Maryland Commission on Climate Change and the Building Energy Transition Implementation Task Force, does not repeal the STRIDE Act. Rather, it requires gas utilities to implement new gas leak detection technologies when cost effective, and to apply a "fix it first" approach rather than installing new infrastructure. It also requires the utilities to give customers 2 years' notice before the work begins in their community.

SB0998 is 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.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

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