



SB 998 – SUPPORT

Jeff Mauk

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**SB 998: Natural Gas - Strategic Infrastructure Development and Enhancement
(Ratepayer Protection Act)**

Education, Energy, and the Environment Committee

March 13th, 2025

Dear Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee,

I am writing on behalf of Ceres to express strong support for SB0998, the Ratepayer Protection Act. Ceres works with investors, companies, and financial leaders to promote sustainability solutions. Through our Business for Innovative Climate and Energy Policy Network ([BICEP](#)), we mobilize over 85 major employers, including several companies with operations and business interests in Maryland, to advocate for more effective climate and clean energy policies.

SB0998 introduces critical reforms to Maryland's STRIDE program to ensure gas infrastructure investments are made prudently while protecting consumers and businesses from unnecessary costs. Maryland gas utilities have already spent over \$2 billion on new gas infrastructure under STRIDE, with projected total spending approaching \$10 billion. Over the lifetime of these assets, customers could pay more than \$40 billion in costs for this infrastructure. For businesses throughout Maryland, these mounting utility costs directly impact competitiveness and operational expenses.

This legislation ensures that dollars are spent wisely by requiring utilities to:

- Prioritize projects based on risk assessment and cost-effectiveness rather than replacement for replacement's sake
- Consider alternatives to full pipeline replacement, including modern leak detection and targeted repairs
- Provide two-year advance notice of projects, allowing businesses to plan for potential disruptions and consider their own energy transition options

- Demonstrate proposed investments are consistent with state climate policy and economically prudent

These proposed reforms represent sound fiscal management. The current structure incentivizes overbuilding infrastructure that provides attractive returns for utilities but burdens ratepayers with decades of unnecessary costs. A Maryland business currently pays three times more for gas delivery than it did in 2010, and much of this increase is driven by infrastructure surcharges.

By requiring rigorous analysis of alternatives and prioritizing safety over system expansion, SB0998 introduces a true "fix it first" approach that businesses apply in their own operations. No prudent business would replace functioning assets prematurely without analyzing alternatives, and utilities should be held to the same standard.

The Ratepayer Protection Act aligns our infrastructure investments with business fundamentals: ensuring safety while minimizing unnecessary spending. This legislation will help contain energy costs for Maryland businesses, improve regulatory oversight, and enable more strategic decision-making about our energy future.

I respectfully request a favorable report on SB0998.

Sincerely,

Jeff Mauk

Director, State Policy, Eastern Region, Ceres