

SB0002
**Investor-Owned Electric, Gas, and Gas and Electric Companies - Cost Recovery -
Limitations**

In the Senate - Hearing 2/05 at 1:00 p.m.
Position: FAV

My name is Heather Rounds and I am submitting this testimony in favor of SB0002. I firmly believe that there should be no rate increases as a means of lining the pockets of executive level employees. Such payment leads to no direct benefit to customers like myself, who are already increasingly burdened by rate hikes. .

I support SB0002 because it builds responsibly on reforms the General Assembly enacted in 2025 and recognizes a simple reality: Maryland residents are already paying too much for essential utility services. Last year, the legislature took important steps to ensure that ratepayers are not forced to subsidize lobbying, trade association dues, or luxury expenses like private aircraft. SB0002 continues that work by drawing a reasonable line between legitimate operating costs and executive compensation or discretionary spending that should be borne by shareholders, not customers. This bill does not prevent utilities from paying competitive salaries or bonuses—it simply ensures that those costs are not automatically passed on to families and small businesses who have no alternative provider and no ability to shop around.

Taking BGE as an example, customers like myself, are facing repeated and compounding rate increases that have far outpaced inflation. Since 2010, gas delivery rates have nearly tripled and electric delivery rates have nearly doubled, and since 2020 alone, gas delivery rates are up about 50 percent while electric delivery rates are up about 30 percent. Most recently, we have seen new base rate increases take effect on January 1, 2026, followed by additional reconciliation charges beginning in February 2026 that will remain in place through 2027—even after regulators cut BGE's request nearly in half due to affordability concerns. At a time when families like mine already struggle to pay essential utility bills, this pattern underscores why ratepayer dollars must be protected from discretionary corporate costs.

I respectfully urge this committee to support SB0002.

Thank you,

Heather Rounds

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