

Committee: Environment and Transportation
Testimony on: HB 0001 – Investor-Owned Electric, Gas, and Gas and Electric Companies –
Cost Recovery – Limitations
Submitting: Deborah Cohn
Position: Favorable
Hearing Date: January 27, 2026

Dear Chair Korman and Committee Members:

Consumers and businesses are suffering from skyrocketing gas and electric utility rates. HB0001 addresses their pain. The bill does not limit executive compensation. It limits the amount of utility executive compensation (including bonuses) that can be passed on to ratepayers. That amount for a supervisor is 110% of the maximum annual salary of a Maryland Public Service Commissioner in the same year. The bill provides exceptions for employees with a written contract executed before December 21, 2025 and for those covered by a valid collective bargaining agreement. Otherwise, any compensation above that limit must be borne by stockholders.

Investor owned utility companies are regulated monopolies to ensure that ratepayers pay “just and reasonable” rates. Ratepayers should not be asked to pay unlimited executive compensation and SB0001 provides the needed statutory limits on a reasonable limit to be shouldered by ratepayers, leaving additional amounts to be shouldered by investors.

As a matter of simple fairness given the rapid increase in utility rates, I urge this Committee to support HB0001 and issue a favorable report.

Thank you.