



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee

FROM: MEA

SUBJECT: HB 540 - Investor-Owned Electric, Gas, and Gas and Electric Companies - Utility Rate Changes (Public Service Company Transparency Act)

DATE: February 10, 2026

MEA Position: FAVORABLE

The Maryland Energy Administration respectfully submits this letter of support for House Bill 540, which advances greater transparency and accountability in utility rate proceedings.

As Maryland continues to navigate rising energy costs, infrastructure investments, and a rapidly revolving electric grid, it is increasingly important that ratepayers understand why costs change, how decisions are made, and where they can engage in the regulatory process. HB 540 takes meaningful steps towards strengthening that understanding by improving communication between investor-owned utilities, regulators, and the customers they serve.

The bill's requirement that utilities provide advanced notice when initiative proceedings that may lead to a rate change, along with clear procedural timelines and links to the Public Service Commission resources, helps ensure that customers are informed early and can meaningfully participate. Too often, rate proceedings feel opaque or inaccessible to the average household. HB 540 helps demystify this process and reinforces public confidence in Maryland's regulatory framework.

MEA also strongly supports the bill's emphasis on clear, nontechnical rate education. The required 10-year rate trend reports, visual depictions of historic rate changes, and accounting of bill line items offer customers critical context about how rates evolve over time. This long-term view is particularly important as Maryland makes necessary investments in grid reliability, resilience, and clean energy infrastructure. Informed ratepayers are better equipped to make energy decisions, engage with available efficiency and clean energy programs, and plan for household energy costs. Transparency and education are essential complements to affordability-focused policies and consumer protection efforts across the State.

MEA urges the committee to issue a **favorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy manager, at megan.outten@maryland.gov or 443.842.1780.