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January 27, 2026

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

Mr. Chairman and Members of the Committee:

Maryland LCV supports HB 1 Investor-Owned Electric, Gas, and Gas and Electric Companies - Cost Recovery - Limitations. We thank Delegate Crosby for his leadership on this issue.

Maryland LCV is committed to advancing clean energy solutions that increase grid reliability and decrease ratepayer impacts while achieving the state's climate targets.

HB 1 will ensure much needed protections to ratepayers from utility expenses that do not directly improve service, reliability, or affordability. This bill places reasonable limits on the costs that investor-owned electric and gas utilities may recover through customer rates, particularly around excessive compensation and discretionary corporate spending. The bill focuses on ensuring the amount of executive pay recovered from ratepayers is reasonable, with a recommended cap at 110% of the maximum annual salary of a member of the Public Service Commission. HB 1 draws a clear line between legitimate operational costs and expenses that should remain the responsibility of utility shareholders, not customers. This is an important step to reduce electricity bills.

The bill requires utility boards to limit spending on entertainment, office renovations, transportation services, staff development and incentive programs. These guardrails are essential to ensure that ratepayer dollars are being used responsibly and in ways that provide real value to customers. This legislation helps correct the imbalance that currently allows corporate expenses to be shifted onto already struggling consumers.

Maryland has made clear commitments to protecting consumers and ensuring fairness in utility regulation. This bill reinforces those commitments by prioritizing transparency and accountability. We support clarifying amendments from the to align legislative language with the bill's intent.

Maryland LCV wants to Power Maryland Forward, supporting **energy affordability** through **deployment of solar and storage, defense against more fossil fuels** and **unchecked utility profits**, while **getting the most out of the electricity grid we have**. Maryland LCV urges a favorable report on this important bill as part of this framework.

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