



**Testimony on: HB001 – Investor-Owned Electric, Gas, and Gas and Electric Companies - Cost Recovery - Limitations**

**Committee: Environment and Transportation**

**Organization: Maryland Legislative Coalition Climate Justice Wing**

**Submitting: Laurie McGilvray, Co-Chair**

**Position: Favorable**

**Hearing Date: January 27, 2025**

Dear Chair Korman and Committee Members:

We are providing our testimony in support of HB001, *Investor-Owned Electric, Gas, and Gas and Electric Companies – Cost Recovery - Limitations*. The Maryland Legislative Climate Justice Wing is a statewide coalition of 30 grassroots and professional organizations focused on climate justice and we urge you to vote favorably on HB001.

HB001 is a consumer-friendly bill that is urgently needed at a time when gas and electric utility rates are skyrocketing. The bill does not limit utility executive compensation, but rather limits the amount of compensation, including bonuses, that can be recovered through rates (i.e., gas and electric customers' bills). It sets the amount of compensation that a supervisor can recover through rates to 110% of the maximum annual salary of a Maryland Public Service Commissioner in the same year. There are exceptions for employees with a written contract that was executed before December 21, 2025 and those who are covered by a valid collective bargaining agreement.

Maryland's investor-owned utilities are regulated monopolies. As such, they have a responsibility to ensure that ratepayers are charged "just and reasonable rates" for their gas and electricity. Ratepayers should not bear the cost of exorbitant executive compensation. While our utilities express their concern about rate-basing the cost of energy efficiency and other programs that advance Maryland's climate goals, they do not seem similarly concerned about the ratepayer impacts of their own compensation. This bill does not limit executive compensation, but simply caps the portion that is charged to customers, offering a better balance in who pays for what – ratepayers or shareholders. This is why the Minnesota Public Utilities Commission has taken similar steps.

For these reasons, we urge the Committee to vote favorably on HB001.

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Adat Shalom Climate Action

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry  
Chesapeake Earth Holders  
Chesapeake Physicians for Social Responsibility  
Climate Parents of Prince George's  
Climate Reality Greater Maryland  
ClimateXChange – Rebuild Maryland Coalition  
Coming Clean Network, Union of Concerned Scientists  
DoTheMostGood Montgomery County  
Echotopia  
Elders Climate Action  
Fix Maryland Rail  
Glen Echo Heights Mobilization  
Greenbelt Climate Action Network  
HoCoClimateAction  
IndivisibleHoCoMD  
Maryland Legislative Coalition  
Maryland Third Act  
Mizrahi Family Charitable Fund  
Mobilize Frederick  
Montgomery County Faith Alliance for Climate Solutions  
Montgomery Countryside Alliance  
Mountain Maryland Movement  
Nuclear Information & Resource Service  
Progressive Maryland  
Safe & Healthy Playing Fields  
Takoma Park Mobilization Environment Committee  
The Climate Mobilization MoCo Chapter  
Unitarian Universalist Legislative Ministry of Maryland