

HB0540_RichardKaplowitz_FAV

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Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON HB#0540 – FAVORABLE

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

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

FROM: Richard Keith Kaplowitz

My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of HB#0540, Investor-Owned Electric, Gas, and Gas and Electric Companies - Utility Rate Changes (Public Service Company Transparency Act)

Maryland consumers continue to find increasing energy costs. As reported by the Office of Peoples Counsel, State of Maryland, *Maryland electric bills are going up this fall*¹

Most people in Maryland are seeing higher electric bills this fall compared to last fall.

These higher costs are largely because prices from the “capacity market” auction went up by 800%. The capacity market auction is meant to ensure electric system reliability, and is run by PJM Interconnection, the regional transmission organization (RTO) that coordinates the movement of electricity in all or parts of 13 states and the District of Columbia.

BGE customers are paying for the increased costs over three months in the fall of 2025 and three months in the spring of 2026. Pepco and Delmarva Power customers are seeing the increases starting with their August bills, and Potomac Edison customers with their October bills. SMECO customers are seeing increases starting June 1. See below for more detail about these charges and what OPC is doing about them.

Maryland Matters has explained the issue in detail in their article *Despite efforts by lawmakers, energy bills are going up again. Here’s why.*²

This bill will place some guardrails to protect Maryland energy consumers by prohibiting certain electric, gas, and gas and electric companies from initiating a proceeding that may lead to a rate change unless the company provides customers with a certain notice; requiring certain electric, gas, and gas and electric companies to include a certain statement in each customer bill and automatic payment e-mail and distribute a certain annual rate report in a certain manner; requiring the Public Service Commission, in consultation with the Office of People's Counsel, to develop a certain report; etc.

I respectfully urge this committee to return a favorable report and pass HB0540.

¹ <https://opc.maryland.gov/Rising-Fall-Electricity-Rates>

² <https://marylandmatters.org/2025/06/05/utility-bill-rate-increases-june-1/>