

Revised Written Testimony PG Chamber HB958 Letter

Uploaded by: Alex Austin

Position: FAV

February 27, 2026

House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

RE: House Bill 958 Natural Gas – Connection and Line Extension – Discounts and Payment Plans

POSITION: FAVORABLE

Dear Chair Korman and Committee Members:

The Prince George's Chamber of Commerce submits this testimony in support of House Bill 958. Our Chamber represents a diverse coalition of local employers, entrepreneurs, developers, and community leaders committed to advancing economic opportunity and sustainable growth throughout Prince George's County.

Predictable infrastructure policy is essential to supporting continued investment in our region. Businesses considering expansion or relocation must be able to plan with confidence, particularly when it comes to energy infrastructure and development costs. Recent proposals affecting natural gas line extension practices have raised concerns among our members about increased upfront costs and potential barriers to new projects, including housing and commercial development that support local job creation.

HB 958 provides an important measure of clarity and stability by reinforcing that significant infrastructure policy decisions should be considered through the legislative process. Maintaining a consistent framework helps ensure that businesses can continue to invest in Prince George's County while supporting energy affordability, reliability, and consumer choice.

Many of our members operate on tight margins and depend on predictable cost structures to remain competitive. Policies that create barriers to entry slow development, investment, and create affordability issues across industries. HB 958 helps provide the stability needed to foster continued economic growth across our communities.

The Prince George's Chamber of Commerce has previously raised concerns about regulatory proposals that could increase development costs and limit options for businesses and residents. We believe HB 958 offers a balanced approach that supports economic development while allowing policymakers to thoughtfully evaluate future energy policy.

For these reasons, the Prince George's Chamber of Commerce respectfully urges a **FAVORABLE report** on House Bill 958.

Sincerely,

Alexander K. Austin

Alexander Austin
President & CEO
Prince George's Chamber of Commerce

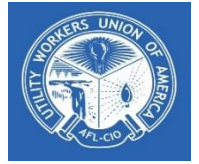
MD House Bill 958 UWU 419 Tesimony Final.pdf

Uploaded by: Andrew Clark

Position: FAV

PRESIDENT: OLIVER DIXON
VP: JASON COLLINS

**LOCAL 419 THE UTILITY WORKERS OF
AMERICA AFL-CIO CUMBERLAND MD**



1000 W INDUSTRIAL BLVD
CUMBERLAND MD 21502

**FAVORABLE - House Bill 958
Natural Gas – Connection and Line Extension – Discounts and Payment Plans
House Environment and Transportation Committee
February 27, 2026**

The Utilities Workers Union Local 419 of Maryland (Local 419) supports House Bill 958 which would prohibit the Maryland Public Service Commission (PSC) from adopting or enforcing a regulation or order that prohibits a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property. This legislation is in response to draft regulations published in 2025 by the PSC requiring new gas utility customers to bear the full upfront cost of extending natural gas service to them.

The PSC's proposed regulations are a significant departure from long-standing policies and cost-effective practices that have ensured access to reliable and affordable natural gas service for thousands of Maryland households and businesses for decades.

The existing line-extension framework has assisted in responsible economic development, supported affordable housing, and provided consumer choice and cost stability in Maryland. Current policies have been vitally important in communities where the up-front cost of natural gas infrastructure would otherwise put energy access and choice out of reach for consumers. It has spurred economic development and helped build new housing with affordable costs.

Under existing Maryland policy, like line-extension policies throughout the United States, the costs of extending natural gas infrastructure are shared among customers, making new connections feasible for businesses and homeowners alike. The PSC's proposed regulation would instead require Marylanders to pay the full cost upfront, making access to natural gas financially out of reach for many and increasing housing costs, commercial building costs and industrial facility costs.

The PSC's proposed change will adversely affect homebuilders, homeowners, and developers in Maryland who depend on access to affordable energy like natural gas. Natural gas is a vital component of Maryland's energy mix and provides reliable service at an affordable price, especially during Maryland winters where periods of high demand occur.

Local 419 respectfully urges the Maryland General Assembly to preserve the existing line-extension framework through passage of House Bill 958. The existing line-extension framework will maintain affordability for Marylanders and continue to provide energy choice throughout the state.



Our neighboring states of Pennsylvania, Virginia, and Delaware permit gas utilities to provide line extension assistance and Maryland must not place itself at a competitive disadvantage in building new housing or recruiting new businesses.

Thank you for your consideration of Local 419's comments and we urge a favorable report on House Bill 958.

Andrew Clark
Local 419 The Utility Workers Union of America AFL-CIO



AOBA HB958 FAV.pdf

Uploaded by: Brian Anleu

Position: FAV



Bill: **HB 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans**

Committee: **Environment and Transportation**

Date: **February 27, 2026**

Position: **Favorable**

The Apartment and Office Building Association (AOBA) of Metropolitan Washington is a nonprofit trade association representing the owners and managers of more than 23 million square feet of commercial office space and 167,000 apartment rental units in Montgomery and Prince George’s counties. AOBA submits this testimony in support of House Bill 958.

HB 958 preserves flexibility for utilities to offer discounts or payment plans for natural gas connection and line extension costs. AOBA strongly supports HB 958 because it preserves reasonable flexibility in how natural gas connection and line extension costs are structured. Infrastructure access is a critical component of multifamily housing and commercial office development. Without predictable and manageable connection policies, projects do not move forward.

HB 958 does not mandate discounts, require subsidies, or eliminate cost recovery. It simply ensures that the Public Service Commission may not prohibit utilities from offering structured payment plans or reasonable discounts that allow infrastructure costs to be recovered over time rather than imposed entirely upfront. The structure of these costs matters significantly.

When line extension expenses must be paid entirely at the outset of a project, those costs are capitalized into the development budget, increasing required equity, raising debt levels, and tightening already thin financing margins. In multifamily housing and office redevelopment, even modest increases in upfront capital requirements can determine whether a project secures financing or stalls. These impacts are especially pronounced in workforce housing, naturally occurring affordable housing, and office-to-residential conversion projects, where feasibility is already sensitive to construction and financing pressures.

Importantly, these costs do not remain with developers or their investors. The costs ultimately flow through to residents and tenants. Higher upfront infrastructure expenses translate into higher rents, reduced affordability, and fewer units delivered to the market. Maryland is actively working to increase

housing supply, encourage transit-oriented development, and promote reinvestment in aging commercial corridors. Rigid cost recovery policies that make projects more expensive undermine these statewide objectives. Allowing utilities to structure payment plans aligns cost recovery with the long-term revenue stream utilities receive from these buildings over decades of service, rather than creating immediate financial barriers that slow growth.

HB 958 also supports Maryland's economic competitiveness. Development capital is mobile, and investors compare regulatory predictability and infrastructure cost treatment across state lines. If Maryland adopts policies that significantly increase upfront development costs relative to neighboring states, capital will shift accordingly. Preserving financing flexibility signals that Maryland remains open to responsible investment and redevelopment.

Finally, this bill protects energy choice and operational reliability. Many multifamily and commercial properties rely on natural gas for heating, hot water, and essential building operations. Natural gas remains a lawful energy source in Maryland, and regulatory policy should not indirectly limit access to it by imposing prohibitive upfront cost structures. HB 958 strikes a balanced approach by preserving tools that allow responsible cost recovery while supporting housing affordability, redevelopment, and long-term community growth.

For these reasons, AOBA urges a favorable report on House Bill 958. For more information, please contact Brian Anleu at banleu@aoba-metro.org.

HB0958 -- Natural Gas – Connection and Line Extens

Uploaded by: Brian Levine

Position: FAV



**House Bill 958 -- *Natural Gas – Connection and Line Extension – Discounts and Payment Plans*
House Environment and Transportation Committee
February 27, 2026
Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 958 -- *Natural Gas – Connection and Line Extension – Discounts and Payment Plans*.

House Bill 958 prohibits the Public Service Commission from adopting or enforcing a regulation or order that prohibits a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

Maintaining a stable environment for employers, builders, and future investment is essential. In recent years, Montgomery County has faced significant challenges related to development costs, project timelines, and infrastructure planning. One area of particular concern has been sudden changes in natural gas line extension practices, which have introduced uncertainty for commercial, mixed-use, and institutional projects. When these shifts occur without clear legislative direction, they place additional strain on businesses already navigating complex permitting and construction processes.

HB 958 addresses this issue by preventing the Public Service Commission from creating regulatory barriers that would impose substantial new costs on builders, developers, or other energy users. This clarity is vital for long-term capital planning, especially in a county where development margins are often tight and project feasibility can hinge on upfront infrastructure expenses. Access to reliable and affordable energy options remains fundamental to day-to-day operations. Without such stability, the impacts ripple across Montgomery County, slowing progress on projects that support jobs, housing, and commercial activity.

For these reasons, the Montgomery County Chamber of Commerce supports House Bill 958 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.

*Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com*

HB 958 Natural Gas written.pdf

Uploaded by: cailey locklair

Position: FAV

MARYLAND RETAILERS ALLIANCE

The Voice of Retailing in Maryland



HB 958 Natural Gas—Connection and Line Extension—Discounts and Payment Plans

February 27, 2026

Position: Favorable

HB 958 provides a simple but important clarification to Maryland law: it prohibits the [Maryland Public Service Commission](#) from adopting or enforcing a regulation or order that prevents a public service company from offering a discount or payment plan to assist a customer with the cost of connecting to, or extending, a natural gas line to their property. This legislation is about flexibility, affordability, and fairness.

For many Maryland homeowners and small businesses, the upfront cost of connecting to an existing natural gas main—or extending a line to reach their property—can be a significant financial barrier. Even when natural gas service would lower long-term energy costs, improve efficiency, or replace older fuel sources, the initial installation expense can put access out of reach.

HB 958 does not mandate discounts. It does not require subsidies. It does not shift costs automatically to other ratepayers. Instead, it simply ensures that utilities are permitted to voluntarily offer structured discounts or payment plans to make connections more manageable and affordable.

Allowing utilities to offer payment plans spreads upfront infrastructure costs over time—much like other capital investments customers routinely finance. This can:

- Reduce the financial burden on families and small businesses;
- Encourage orderly and planned system expansion;
- Improve customer participation in utility infrastructure already in the ground;
- Provide utilities with predictable cost recovery rather than forcing customers to decline service altogether.

Importantly, prohibiting utilities from offering these flexible arrangements limits innovation and consumer choice. Utilities should be allowed to structure connection terms that reflect market conditions, local development needs, and customer demand—subject, of course, to the Commission’s broader oversight authority.

HB 958 strikes an appropriate balance. It preserves regulatory authority while ensuring that the Commission cannot categorically prohibit voluntary discounts or payment arrangements that expand access to service.

In a time when affordability remains a top concern for Maryland households, we should be removing unnecessary barriers to utility access—not reinforcing them. This bill promotes practical flexibility without imposing mandates.

For these reasons, we respectfully urge a favorable report on HB 958.

Thank you for your consideration.

HB 958 Testimony.pdf

Uploaded by: Chip Bertino

Position: FAV



House Bill 958

Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Position: **SUPPORT**

To: Environment and Transportation Committee

Date: February 25, 2026

From: County Commissioners of Worcester County

Worcester County supports House Bill 958.

The Public Service Commission wants new natural gas customers to pay the entire cost of the mainline and service line extensions to their homes upfront. This changes a longtime practice that allowed customers to pay for all, or a portion of, the costs over time. Line extension allowances have historically been permitted for both gas and electric utilities and we believe that should continue. Otherwise, higher upfront costs become a significant financial barrier that will make gas unaffordable for some customers. The elimination of the line extension allowance also means new gas customers will be forced to subsidize existing customers who were able to spread their payments over decades.

At a time when energy is a growing concern in Maryland, the state should be doing what it can do make energy more affordable, not less. This bill ensures that natural gas customers will continue to have access to payment plans.

We urge you to provide this bill with a **favorable** report. Thank you.

HB 958 - Natural Gas – Connection and Line Extensi

Uploaded by: Grayson Middleton

Position: FAV



Educate. Advocate. Innovate.

Date: February 27, 2026
To: Members of the House Committee on Environment and Transportation
From: Grayson Middleton, Government Affairs Manager
Re: HB0958 - Natural Gas – Connection and Line Extension – **Support**

Delmarva Chicken Association (DCA) is the trade association representing the meat-chicken growers, companies, and allied business members on the Eastern Shore of Maryland, Delaware, and the Eastern Shore of Virginia. Collectively, we contribute more than \$5.4 billion to Maryland's economy and pay more than \$254 million in state and local taxes. We strongly support HB 958 and urge a favorable committee report.

HB 958 would prohibit the Public Service Commission from adopting or enforcing regulations that prohibit a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

Reliable access to natural gas and propane is crucial to poultry farming on the Eastern Shore. Currently, there are no viable alternatives to this energy source that is used to heat thousands of poultry houses across the Delmarva Peninsula. Most farmers in this region have long relied on short-haul delivery of compressed propane to meet their energy needs. However, recent expansions of natural gas lines on the Lower Eastern Shore are finally making direct access to this clean-burning energy source possible. This direct access is much more efficient and has a lower carbon footprint than truck-delivered propane. It would be unfair and counterproductive to the state's environmental goals to prohibit the customary cost-sharing for expansion that has been enjoyed by hundreds of thousands of customers across Maryland. As such, we urge a favorable report on HB 958.

Should you have any additional questions, please feel free to contact me at middleton@dcachicken.com or 410-490-3329.

Sincerely,

Grayson Middleton

Government Affairs Manager

HB 958_MDCC_Natural Gas-Connection and Line Exetns

Uploaded by: Hannah Allen

Position: FAV



House Bill 958

Position: Favorable

Committee: Environment & Transportation

Date: February 27, 2026

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

House Bill 958 (HB 958) provides an important safeguard to ensure that the Maryland Public Service Commission does not prohibit natural gas utilities from offering discounts or payment plans, commonly referred to as line extension allowances, to customers seeking to connect to the natural gas system. These long-standing tools have played a critical role in expanding access to affordable, reliable energy for homes, businesses, and communities throughout the state.

For decades, Maryland's utility framework has recognized that the costs of extending infrastructure are appropriately recovered over time through rates, reflecting traditional ratemaking principles used across the country. Eliminating this approach by requiring new customers to pay the full cost of line extensions upfront would create significant financial barriers, particularly for small businesses, manufacturers, housing developers, and communities where infrastructure costs are already high.

At a time when affordability remains a top concern for employers and families, policies that increase upfront costs for basic energy access risk undermining housing affordability, slowing economic development, and limiting consumer choice. These impacts would be felt most acutely in growing and rural areas, where energy infrastructure investments are essential to attracting and retaining jobs.

HB 958 does not mandate the expansion of natural gas service, nor does it alter Maryland's broader energy goals. Rather, it preserves regulatory flexibility and fairness by allowing utilities to continue offering reasonable options that support economic growth, while ensuring customers retain the ability to choose the energy sources that best meet their needs.

Maryland's energy future should balance environmental progress with reliability, affordability, and economic competitiveness. House Bill 958 strikes that balance by maintaining a proven framework that supports both consumers and employers.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report** on HB 958.

Testimony GRC for HB958.pdf

Uploaded by: Jessica Worley

Position: FAV



CECIL COUNTY CHAMBER *of* COMMERCE

Jack Schammel, CEO

Vanessa Torres, Chair

February 25, 2026

Chair Marc Korman & Members of the House Environment & Transportation Committee
120 Taylor House Office Building
121 Taylor House Office Building
Annapolis, MD 21401

RE: House Bill 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Chair Korman & Members of the House Environment & Transportation Committee,

The Cecil County Chamber of Commerce, representing over 426 businesses and organizations in Cecil County, is writing to express our support regarding the proposed legislation, ***HB 958 Natural Gas – Connection and Line Extension – Discounts and Payment Plans***. Our Government Relations Committee, comprised of Chamber members who monitor and provide testimony on pending legislation, has reviewed this bill. We request a **FAVORABLE** opinion.

This proposed legislation will ensure that citizens and our Chamber members' businesses who seek alternatives to escalating energy costs are not penalized for considering the installation of natural gas infrastructure. The inflationary increases for energy are historic and causing significant financial stress for businesses and citizens.

We thank you for considering our position on this legislation. We request a **FAVORABLE** opinion on **HB958**. Please feel free to contact our Government Relations Committee through Jessica Worley at jworley@cecilchamber.com (410-392-3833) for additional information regarding this recommendation.

Sincerely,

Cecil County Chamber of Commerce
Government Relations Committee

HB0958 John Cannon Wicomico County Letter

Uploaded by: John Cannon

Position: FAV



WICOMICO COUNTY, MARYLAND

P.O. BOX 870
SALISBURY, MARYLAND 21803-0870
410-548-4696
FAX: 410-548-7872

WICOMICO COUNTY COUNCIL

John T. Cannon, President/At-Large
Jeff Merritt, Vice-President/District #2
James Winn, At-Large
Shanie Shields, District #1
David Ennis, District #3

Josh Hastings, District #4
Joe Holloway, District #5
Laura Hurley, Council Administrator

February 24, 2026

The Honorable Delegate Marc Korman
Environment and Transportation Committee
Maryland House of Delegates
6 Bladen Street
Annapolis, Maryland 21401

Re: Support for House Bill 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Dear Delegate Korman and Committee Members:


This letter is in support of House Bill 958, which ensures that public service companies are permitted to offer discounts and payment plans for the connection or extension of natural gas lines to customer properties.

Access to reliable and affordable energy is critical for residents, small businesses, and local industries throughout Wicomico County and across Maryland's rural communities. The ability for utilities to provide flexible payment options or discounted connection fees can make natural gas service attainable for families and businesses who might otherwise be unable to afford these upfront costs. Providing this flexibility supports our County's objectives of promoting economic growth, enhancing energy affordability, and preserving consumer choice.

The Wicomico County Council respectfully urges a favorable report on House Bill 958.

Sincerely,

WICOMICO COUNTY, MARYLAND



John T. Cannon, Council President

cc: Wicomico County Council

Wicomico County Delegation
Wicomico County Executive
Bunky Luffman, Director of Administration

HB958_NatGas_Discounts_Support_2.25.26.pdf

Uploaded by: Juli McCoy

Position: FAV

February 25, 2026

The Honorable Marc Korman, Chair
Environment & Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

HB958 - Natural Gas – Connection and Line Extension – Discounts and Payment Plans

The Allegany County Chamber of Commerce, which represents more than 330 member businesses and organizations in Allegany County Maryland, supports House Bill 958. This legislation prevents the Maryland Public Service Commission (PSC) from prohibiting natural gas utilities providing line extension allowances to assist new customers in connecting to the natural gas system in Maryland.

In 2025, the PSC proposed such a regulation to prohibit such assistance. The proposed prohibition by the PSC will require new gas utility customers in Maryland to bear the entire up-front cost of extending natural gas service to them.

For many years, Maryland gas utilities have used cost-effective and long-standing policies to help extend service to new homes, businesses, and communities which is a critical part of economic development in Allegany County and Maryland. These policies are vitally important in communities where the up-front cost of natural gas infrastructure would create economic barriers putting energy choice and access out of reach for consumers.

Under existing policy, the costs of extending natural gas infrastructure are shared among customers, making new connections to the natural gas system achievable for businesses and homeowners. The proposed regulation from the PSC would require individual customers to pay the full cost up front, making access to natural gas unaffordable for many in Maryland.

Eliminating this long-standing approach as the PSC has proposed significantly impacts housing affordability, local economic development, and energy choice across the state. Affordability is a major concern for Maryland businesses and families. This new policy risks making basic energy access more costly and less attainable.

Natural gas has been and continues to be a vital energy source for Allegany County and Maryland businesses. The Chamber strongly supports the continued use of and affordable access to natural gas in our county and in the state of Maryland.

The Chamber respectfully urges the Maryland General Assembly to preserve the existing line extension framework currently in place in Maryland to maintain affordability and reliability. Allowing energy choice and affordable access to all available energy services is critical to protecting Maryland's economy.

Thank you for your consideration of our comments and we respectfully urge a favorable report on House Bill 958.

Sincerely,



Juli McCoy
President & CEO
Allegany County Chamber of Commerce

cc: Western Maryland Delegation

HB 958 - Easton Utilities - FAV.pdf

Uploaded by: Kurt Fuchs

Position: FAV



EASTON UTILITIES

Life. Made better.™

February 27, 2026

To: House Environment & Transportation Committee
From: Easton Utilities Commission
Bill: HB 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans
Position: Support

On behalf of Easton Utilities Commission (EUC), a small municipally-owned utility and telecommunications company operating the electric, natural gas, water, wastewater, cable TV, and internet services for the Town of Easton and portions of the surrounding area, I am writing to express our support for **HB 958**.

This bill would prohibit the Public Service Commission from adopting or enforcing any regulation or order that prohibits a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

As the only municipally-owned, natural gas utility in the State, EUC maintains over 154 miles of gas main and services throughout our service territory and completed a gas main replacement program in 2017, effectively creating an entirely new system. We continue to reinvest in and expand our system, in no small part, because customer surveys indicate little to no interest in transitioning away from this clean, abundant, and affordable fuel source.

Line extension allowances and Contribution-in-Aid-of-Construction (CIAC) formulas are long-standing and cost-effective practices that ensure affordable access to natural gas service for new homes, businesses, and communities. At a time when affordability in general and energy affordability in particular, are top issues facing Marylanders, this bill would halt regulatory efforts that would limit energy choice, increase housing costs, and stymie economic development.

Additionally, current gas customers benefit from a growing system because fixed costs, such as demand charges, get spread over more billing determinants, especially if new commercial customers can be interruptible and curtailed during peak demand days

Within Easton's own service territory, two major housing developments totaling more than 450 homes, were provided CIAC for gas line extensions that represent on average an immediate potential savings of \$1,250 per home. The Town of Easton, like many communities across Maryland, are grappling with housing affordability and this bill is one simple way to ensure new regulations do not exacerbate the problem.

For these reasons, Easton Utilities supports **HB 958** and respectfully urges a **Favorable Report**.

Please contact Kurt Fuchs with any questions at kfuchs@eucmail.com or 443-786-0855.

26-0224 L Korman HB 958.pdf

Uploaded by: Laura Hurley

Position: FAV



WICOMICO COUNTY, MARYLAND

P.O. BOX 870
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WICOMICO COUNTY COUNCIL
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Shanie Shields, District #1
David Ennis, District #3

Josh Hastings, District #4
Joe Holloway, District #5
Laura Hurley, Council Administrator

February 24, 2026

The Honorable Delegate Marc Korman
Environment and Transportation Committee
Maryland House of Delegates
6 Bladen Street
Annapolis, Maryland 21401

Re: Support for House Bill 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Dear Delegate Korman and Committee Members:

This letter is in support of House Bill 958, which ensures that public service companies are permitted to offer discounts and payment plans for the connection or extension of natural gas lines to customer properties.

Access to reliable and affordable energy is critical for residents, small businesses, and local industries throughout Wicomico County and across Maryland's rural communities. The ability for utilities to provide flexible payment options or discounted connection fees can make natural gas service attainable for families and businesses who might otherwise be unable to afford these upfront costs. Providing this flexibility supports our County's objectives of promoting economic growth, enhancing energy affordability, and preserving consumer choice.

The Wicomico County Council respectfully urges a favorable report on House Bill 958.

Sincerely,

WICOMICO COUNTY, MARYLAND


John T. Cannon, Council President

cc: Wicomico County Council

Wicomico County Delegation
Wicomico County Executive
Bunky Luffman, Director of Administration

26 MGPA_HB958_GasExtensions.pdf

Uploaded by: Lindsay Thompson

Position: FAV



Maryland Grain Producers Association
118 Dundee Ave, Chester, MD 21619
Lindsay.mdag@gmail.com (p) 443-262-8491
www.marylandgrain.com

Date: February 27, 2026

Environment and Transportation Committee

House Bill 958 - Natural Gas – Connection and Line Extension – Discounts and Payment Plans

MGPA Position: Support

The Maryland Grain Producers Association (MGPA) respectfully offers favorable testimony on House Bill 958. MGPA represents Maryland's corn, soybean, wheat, and barley farmers, many of whom rely on natural gas-fueled grain dryers as an essential part of post-harvest handling and storage. Grain drying is not a discretionary process, it is critical to preserving grain quality, preventing spoilage, and ensuring a safe, marketable product that supports Maryland's food supply chain and rural economy.

On February 9, 2023, the Maryland Office of People's Counsel initiated the "Future of Gas" proceeding before the Public Service Commission (PSC). As part of that docket, the PSC issued Order No. 91683 in June 2025 directing staff to draft regulations that would require applicants for natural gas service to pay the entire cost of mainline and service line extensions upfront. This proposal abandons longstanding ratemaking principles that allow customers to recover a portion of extension costs over time through rates, commonly known as a line extension allowance.

For Maryland grain producers, the elimination of line extension allowances poses a direct and disproportionate threat to the viability of grain drying operations. Grain dryers are large, seasonal energy users located in rural areas where mainline extensions are often necessary. Requiring full upfront payment for infrastructure would make connecting to natural gas cost-prohibitive for many farms, particularly family-owned operations operating on tight margins. These artificial barriers to service would reduce energy choice, increase production costs, and ultimately undermine the competitiveness of Maryland-grown grain.

For decades, Maryland utilities have used cost-effective and equitable line extension policies to expand service to new homes, farms, and businesses. These policies recognize that the addition of new customers benefits the entire system by spreading fixed infrastructure costs across a larger base. Eliminating allowances for gas service, while maintaining them for electric service, creates an unjustly discriminatory framework that unfairly disadvantages agricultural and rural customers who depend on gas infrastructure for essential operations like grain drying.

This policy shift would also harm rural economic development. Grain drying infrastructure supports local grain elevators, feed mills, poultry operations, and export markets that are foundational to Maryland agriculture. If farms cannot access affordable and reliable energy, the ripple effects will be felt throughout the State's agricultural value chain, including increased storage losses, lower crop quality, and higher consumer prices.

At a time when affordability is a top concern, requiring full upfront infrastructure costs will make energy access less attainable. While not an explicit ban on natural gas, the PSC's proposed elimination of line extension allowances would severely limit the ability of farms and rural businesses to obtain gas service. This approach ignores practical realities: Maryland will continue to rely on natural gas for many years,

and grain drying remains one of the most efficient and reliable uses of that energy source. Electrification alternatives for high-capacity dryers are not yet technologically or economically feasible for most operations and would place additional strain on an already challenged electric grid during peak harvest periods.

House Bill 958 provides an important and timely corrective by reaffirming fair and nondiscriminatory ratemaking principles that preserve energy choice and prevent unreasonable cost burdens on new customers. By maintaining line extension allowances, the bill ensures that infrastructure costs are equitably distributed, consistent with long-established utility practices that have supported agricultural growth and rural communities across Maryland.

Maryland should pursue an all-of-the-above energy strategy that balances affordability, reliability, and emissions reductions while preserving a customer's ability to choose the energy source that best fits their operational needs. For grain producers, that flexibility is essential to maintaining crop quality, reducing post-harvest losses, and sustaining the economic vitality of Maryland's agricultural sector.

For these reasons, the Maryland Grain Producers Association respectfully urges a favorable report on House Bill 958.

HB 958 - Natural Gas Connection - FAV - REALTORS.p

Uploaded by: Lisa May

Position: FAV



House Bill 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Position: Support

Maryland REALTORS® supports HB 958, which is a response to draft regulation RM 92 issued by the Maryland Public Service Commission. That proposal, which differentiated the treatment of utility service extensions for natural gas and electricity, raised significant concerns within the housing industry about the potential impact on new construction, redevelopment, and housing affordability across the State.

HB 958 provides needed statutory clarity to ensure that policies governing utility line extensions remain fair, transparent, and consistent. By reaffirming a balanced framework for cost allocation, the bill helps prevent the imposition of disproportionate upfront infrastructure costs on new homeowners, builders, and developers.

Access to affordable, reliable energy infrastructure is foundational to housing availability. When infrastructure costs are broadly and reasonably allocated, new housing can be delivered at price points Maryland families can afford. Conversely, requiring new customers to shoulder the full cost of utility extensions would significantly increase the cost of construction and redevelopment, costs that are passed on through higher home prices and rents.

HB 958 also helps preserve consumer energy choice by ensuring that access to basic utility service is not restricted through excessive upfront charges. Maintaining a consistent and equitable policy framework supports reinvestment in existing communities, encourages new housing supply, and protects Maryland's competitiveness in attracting residents and business growth.

At a time when Maryland faces a serious housing shortage, predictability and affordability in infrastructure policy are essential. For these reasons, Maryland REALTORS® urges a favorable report on HB 958.

**For more information contact lisa.may@mdrealtor.org or
christa.mcgee@mdrealtor.org**

MBIA Letter of Support HB958.pdf

Uploaded by: Lori Graf

Position: FAV

February 27, 2026

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

RE: MBIA Letter of Support HB 958 - Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Dear Chair Korman,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland is writing to express strong support for HB958, legislation that would prohibit the Public Service Commission of Maryland (PSC) from restricting public service companies from offering discounts or payment plans for the connection or extension of natural gas lines to customer properties.

This legislation empowers utilities to provide greater flexibility and affordability for Maryland residents and businesses seeking access to natural gas service. By allowing discounts and payment plans, more customers—particularly those in underserved or economically challenged communities—can connect to natural gas without facing prohibitive upfront costs. This promotes energy equity and helps families and businesses manage their energy expenses more effectively.

Furthermore, enabling utilities to offer tailored payment options encourages efficient expansion of natural gas infrastructure while maintaining customer choice. It provides a practical mechanism for supporting economic development, reducing reliance on less efficient fuels, and improving energy affordability across the State.

Importantly, this approach maintains the competitive and market-driven nature of utility offerings while removing unnecessary regulatory barriers that could slow access to essential energy services. By allowing companies to design customer-friendly programs, Maryland can expand natural gas access safely and responsibly, benefiting both residents and the broader economy.

For these reasons, I respectfully urge the Committee to give this legislation a favorable report. Removing barriers to flexible payment options and discounts is a meaningful step toward supporting energy access and affordability for all Marylanders.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment and Transportation Committee

HB 958 Fav Ingold Wicomico County Council

Uploaded by: Lynn Ingold

Position: FAV



WICOMICO COUNTY, MARYLAND

P.O. BOX 870
SALISBURY, MARYLAND 21803-0870
410-548-4696
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WICOMICO COUNTY COUNCIL
John T. Cannon, President/At-Large
Jeff Merritt, Vice-President/District #2
James Winn, At-Large
Shanie Shields, District #1
David Ennis, District #3

Josh Hastings, District #4
Joe Holloway, District #5
Laura Hurley, Council Administrator

February 24, 2026

The Honorable Delegate Marc Korman
Environment and Transportation Committee
Maryland House of Delegates
6 Bladen Street
Annapolis, Maryland 21401

Re: Support for House Bill 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Dear Delegate Korman and Committee Members:

This letter is in support of House Bill 958, which ensures that public service companies are permitted to offer discounts and payment plans for the connection or extension of natural gas lines to customer properties.

Access to reliable and affordable energy is critical for residents, small businesses, and local industries throughout Wicomico County and across Maryland's rural communities. The ability for utilities to provide flexible payment options or discounted connection fees can make natural gas service attainable for families and businesses who might otherwise be unable to afford these upfront costs. Providing this flexibility supports our County's objectives of promoting economic growth, enhancing energy affordability, and preserving consumer choice.

The Wicomico County Council respectfully urges a favorable report on House Bill 958.

Sincerely,

WICOMICO COUNTY, MARYLAND


John T. Cannon, Council President

cc: Wicomico County Council

Wicomico County Delegation
Wicomico County Executive
Bunky Luffman, Director of Administration

H.B. 958- NATURAL GAS- CONNECTION AND LINE EXTENSI

Uploaded by: Matthew Teffeu

Position: FAV



**Maryland Joint
Legislative Committee**

February 27, 2026

The Voice of Merit Construction

Mike Henderson

*President
Greater Baltimore Chapter
mhenderson@abc-baltimore.org*

Chris Garvey

*President & CEO
Chesapeake Shores Chapter
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Dan Bond CAE

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Metro Washington Chapter
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*Chairman
Joint Legislative Committee
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*Director of Government Affairs
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Additional representation by:
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(T) (301) 595-9711
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TO: HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE

FROM: ASSOCIATED BUILDERS AND CONTRACTORS

RE: H.B. 958- NATURAL GAS- CONNECTION AND LINE EXTENSION
DISCOUNTS AND PLAYMENT PLANS

POSITION: SUPPORT

Chair Korman, Vice Chair Guyton, and Members of the Committee:

The Associated Builders and Contractors (ABC) Metro Chapter respectfully submits this testimony in support of HB 958. Our organization represents general contractors, specialty contractors, suppliers, and construction-related businesses operating across the Washington metropolitan region. ABC members deliver a substantial share of Maryland's commercial, institutional, and mixed-use construction, and our industry depends on clear and consistent infrastructure policy to keep projects on schedule and financially feasible.

Current Public Service Commission proposals over line extension allowances would create unnecessary regulatory barriers driving up costs for builders, developers, and the broader business community. HB 958 provides an important safeguard against regulatory shifts that would negatively impact housing supply, commercial investment, and local job creation.

Our members are committed to building safe, efficient, and high-quality projects that meet the needs of Maryland's growing communities. Natural gas infrastructure remains a critical component in many large-scale development and redevelopment efforts. For the builders, developers, and contractors who deliver these projects, policies must thoughtfully integrate energy affordability, reliability, and consumer choice to ensure they can operate effectively and continue serving Marylanders.

For these reasons, ABC Metro Chapter respectfully urges a favorable report on HB 958. Thank you for your consideration.

Sincerely,

Matt Tefteau
Director of Government Affairs



HB 958-Natural Gas – Connection and Line Extension

Uploaded by: Melissa Sinclair

Position: FAV



Bill: HB 958- Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Position: Support

Dear Chair, Vice Chair, and Members of the Committee:

On behalf of the Maryland Coalition for Inclusive Energy Solutions, I write to express our strong support for **House Bill 958**, which would prohibit the Public Service Commission from adopting or enforcing any regulation or order that restricts a public service company from offering discounts or payment plans for natural gas line connections and line extensions.

In our view, this legislation advances those principles for the following reasons:

1. Protects Energy Affordability for Families and Small Businesses

Natural gas remains a critical and affordable energy choice for Maryland residents and businesses. Policies that limit options for discounts and flexible payment plans threaten to raise connection costs, potentially placing additional financial burdens on customers who are already struggling with high energy bills. A policy that preserves the ability of utilities to offer discounts and payment plans aligns with broader goals of keeping energy costs manageable for Marylanders.

2. Maintains Customer Choice and Market Flexibility

A one-size-fits-all approach to regulating line extensions or service offerings can inadvertently limit customer choice. By ensuring that utilities can continue to tailor programs that meet customer needs, whether through negotiated discounts, extended payment terms, or other options, this bill supports a competitive and adaptable energy marketplace in Maryland.

3. Supports Reliability and System Sustainability

Access to reliable energy infrastructure, including natural gas service where customers choose it, is key to community stability and economic competitiveness.

For these reasons, we support HB 958.

Thank you for your consideration.

Sincerely,

Sarah Peters
Executive Director

Hb0958 Melvin Thompson FAV

Uploaded by: Melvin Thompson

Position: FAV



House Bill 958

Natural Gas – Connection and Line Extension – Discounts and Payment Plans

February 27, 2026

POSITION: SUPPORT

Mr. Chairman and Members of the House Environment and Transportation Committee:

The Restaurant Association of Maryland and our members support HB 958, which would prohibit the Public Service Commission from adopting or enforcing a regulation or order that prohibits a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

Restaurants rely on natural gas for cooking, heating, and hot water. Gas-powered equipment is the industry standard for commercial kitchens because it is more efficient and affordable to operate. Also, for certain cooking methods, such as flame grilling and broiling, or wok-based cooking, there is no practical alternative to natural gas. Therefore, especially for our industry, affordable and easy access to natural gas is essential.

Under a policy that prohibits utilities from offering line extension allowances, discounts, or payment plans, a restaurant that needs a new gas line or short extension would be required to pay all construction costs upfront before service is provided. Even if those costs are paid by a developer, they will inevitably be passed along to restaurant operators through higher lease rates or surcharges. According to utility companies, these costs can easily reach tens of thousands of dollars. For an industry that operates on very thin margins (typically 3-5 percent pre-tax), these added costs could be the difference between opening or walking away from a project. Restaurants already face much higher upfront costs compared to other retail businesses due to the high cost of commercial kitchen equipment. And it can take up to five years for many new restaurants to become profitable.

Line extension allowances have been used for decades because they are fair and practical. They allow new customers to pay for infrastructure over time through their utility bills, just like existing customers. Requiring new businesses to pay large costs upfront while existing businesses continue to pay over many years creates an unfair competitive disadvantage for new and expanding businesses.

A policy that prohibits line extension allowances, discounts, or payment plans would discourage investment and unfairly penalize new economic development in Maryland. HB 958 would prohibit the Public Service Commission from adopting or enforcing such a policy.

For these reasons, we respectfully request a favorable report on HB 958.

Sincerely,

A handwritten signature in black ink that reads "Melvin R. Thompson".

Melvin R. Thompson
Senior Vice President

HB0958 _WGL_Crossley_FAV.pdf

Uploaded by: Nakhia Crossley

Position: FAV



1000 Maine Avenue, SW | Suite 600 | Washington, DC 20024 | www.washingtongas.com

COMMITTEE: ENVIRONMENT AND TRANSPORTATION

TESTIMONY ON: HB 958 NATURAL GAS – CONNECTION AND LINE EXTENSION – DISCOUNTS AND PAYMENT PLANS

POSITION: SUPPORT

HEARING DATE: FEBRUARY 27 AT 1:00 PM

WASHINGTON GAS RESPECTFULLY SUBMITS THIS STATEMENT IN **SUPPORT** TO **HOUSE BILL 958 – NATURAL GAS – CONNECTION AND LINE EXTENSION – DISCOUNTS AND PAYMENT PLANS**

Background

HB 958 is a response to Order No. 91683, issued by the Public Service Commission in its Future of Gas proceeding, which advanced sweeping policy changes without the due-process safeguards traditionally afforded to stakeholders. The Order was issued without an evidentiary record, without independent affordability or energy reliability analysis, and without the level of stakeholder engagement that a policy shift of this magnitude requires. As a result, HB 958 seeks to restore transparency, fairness, and proper procedural grounding to decisions that have significant negative implications for Maryland customers, housing affordability, and long-term energy planning.

Analysis

HB 958 recognizes a fundamental truth that has often been missing from recent policy debates: **Maryland must keep all energy resources available and affordable for customers as the state works to build the generation, infrastructure, and technology it does not yet have.** This bill rebalances state policy so that reliability, affordability, and customer choice remain centered in Maryland's energy planning.

Affordability must remain a cornerstone of energy policy. Recent regulatory proposals aimed at eliminating natural gas line extension allowances would significantly increase costs for Maryland residents, particularly those moving into new housing or residing in communities where electric alternatives remain expensive or technically infeasible.

Washington Gas's analysis of recent customer projects found that removing these allowances would increase costs by **over \$800,000 for a single large townhome development.** Such cost increases ultimately flow to prospective homeowners and renters at a time when Maryland is already grappling with escalating housing and energy affordability concerns.

Importantly, line extension allowances are not subsidies. They are cost-allocation tools designed to prevent cross-subsidization, ensuring that new customers pay their fair share without

disproportionately subsidizing others. Eliminating these allowances altogether would force new customers to **overpay** while existing customers benefit from system growth without contributing to associated costs. This outcome conflicts with Maryland's public utility laws and violates principles of just, reasonable, and nondiscriminatory rates.

HB 958 helps ensure energy affordability for working families, low-income customers, and residents of new communities who already face high barriers to entry.

Maryland needs all resources available as it builds the electric grid of the future. Maryland's climate policies envision a future with a dramatically expanded, less emissions-intensive electric grid. But today, that grid simply does not exist. The PJM region remains heavily dependent on fossil-fuel-based generation, and the grid continues to experience reliability and capacity challenges that have been well-documented in recent years.

Governor Moore's Building an Affordable and Reliable Energy Future Executive Order underscored the seriousness of these concerns, noting that electricity demand could exceed supply as early as 2027. As Maryland attempts to promote increased electrification, the state must ensure it does not unintentionally jeopardize reliability or overburden a grid that is not yet ready to meet the projected load.

HB 958 aligns policy with reality. It ensures that natural gas, a resource Maryland already has, and one that provides dependable service during extreme temperatures and peak demand, remains available as part of a balanced, all-of-the-above strategy. The bill recognizes that Maryland must build new renewable generation, storage, transmission, and distribution capacity before it substantially increases electrification statewide.

Marylanders rely on the ability to choose energy options that best meet their household needs, budgets, and preferences. Eliminating access to safe, reliable gas services, particularly in new communities, would restrict customer choice, reduce energy equity, and increase financial burdens on residents who may not be able to afford higher electric installation and appliance costs.

HB 958 protects that choice. It supports an energy strategy where customers, not policies, determine what works best for their homes, while Maryland builds new energy resources.

About Washington Gas

Washington Gas Light Company provides safe, reliable natural gas service to more than 1.2 million customers in Maryland, Virginia, and the District of Columbia. WGL has been providing energy to residential, commercial, government, and industrial customers for more than 177 years, and currently serves nearly 520,000 Maryland customers in Montgomery, Prince George's, Charles, St. Mary's, Frederick, and Calvert Counties. The Company employs over 600 employees in Maryland, and hundreds of outside contractors, plumbers, union workers, and other skilled tradespeople. The Company strives to improve the quality of life in our communities by maintaining a locally-based workforce, working with suppliers that represent and reflect the communities we serve, and giving back through its charitable contributions and employee

volunteer activities. The Company, together with other natural gas distribution utilities, are responsible for delivering the primary source of heat to Maryland residential energy consumers, serving approximately one half of all Maryland households while providing critical energy services to residential, commercial, and industrial customers at one-third the cost of electricity on a per unit basis.

Contact:

Nakhia Crossley, Public Affairs Lead, Maryland, Washington Gas
M 571-683-0334 | nakhia.crossley@washgas.com

Letter of Support HB 958 Wash Co Chamber.pdf

Uploaded by: Paul Frey

Position: FAV

February 20, 2026

The Honorable Delegate Marc Korman, Chair
Environment and Transportation Committee
250 Taylor House Building
Annapolis, MD 21401

Dear Chair Korman and Members of the Committee,

The Washington County Chamber of Commerce, with almost 700 member organizations representing over 40,000 employees, supports HB 958, legislation that would prevent the Maryland Public Service Commission (PSC) from prohibiting natural gas utilities providing Line Extension Allowances (LEA's), as proposed in a regulation in 2025. The proposed LEA prohibition by the PSC will require new gas utility customers in Maryland to bear the full upfront cost of extending natural gas service to them.

For decades, Maryland utilities, both electric and gas, have used long-standing and cost-effective practices to help extend service to new homes, businesses, and communities, which is a vital part of economic development in Washington County and Maryland. The natural gas utility LEA's are critically important in communities where the up-front cost of natural gas infrastructure would otherwise put energy access and choice out of reach for consumers.

Under existing LEA policies in Maryland and throughout the United States, the costs of extending natural gas infrastructure are shared among customers, making new connections feasible for businesses and homeowners alike. The proposed PSC regulation would instead require individual customers to pay the full cost upfront, making access to natural gas financially out of reach for many. The proposed PSC regulation would adversely affect gas utilities by prohibiting them from providing LEA's, but allow electric utilities to continue to provide LEA's.

The proposed PSC regulation change would significantly discourage business growth and development, particularly for small businesses, manufacturers, restaurants, homeowners, and developers in Washington County and Maryland who depend on predictable and affordable energy. The PSC's proposed LEA prohibition regulation would adversely affect housing affordability as well. Higher energy costs will translate into higher prices, slower economic and housing development, and reduced job growth throughout Washington County and Maryland.

The Washington County Chamber of Commerce strongly supports the continued use of, and affordable access to, natural gas in our county and in the state of Maryland. Natural gas has been and continues to be a vital energy source for Washington County and Maryland businesses.

We respectfully urge the Maryland General Assembly to preserve the existing line-extension framework in Maryland, maintaining affordability and reliability, and protecting access to essential energy services that support Maryland's economic vitality.

Thank you for your consideration of our comments and we respectfully urge a favorable report on House Bill 958.

Sincerely,



Paul Frey, IOM
President & CEO

**GROWTH.
COMMUNITY.
SUCCESS.**



MD 2026 HB 958 Columbia Gas Testimony FAV.pdf

Uploaded by: Sarah Peters

Position: FAV

FAVORABLE – House Bill 958
Natural Gas – Connection and Line Extension – Discounts and Payment Plans
Environment and Transportation Committee

Columbia Gas of Maryland, Inc. (Columbia) supports House Bill 958. The legislation prohibits the Maryland Public Service Commission (PSC) from adopting or enforcing a regulation or order that prohibits a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

On February 9, 2023, the Maryland Office of People's Counsel (OPC) filed a petition with the PSC concerning near-term "priority actions" and comprehensive long-term planning for Maryland's natural gas companies. This effort is generally referred to as the "Future of Gas" proceeding or docket.

As part of the "Future of Gas" proceeding, the PSC issued Order No. 91683 in June 2025, directing its staff to draft regulations that would force applicants for natural gas service to pay the entire cost of the mainline extension (and service line) to their homes or businesses upfront, which abandons traditional ratemaking principles in Maryland and throughout the United States that recognize that the customer will pay for all, or a portion of, those costs through rates over time.

The amount of the cost paid through rates over time is often called a "line extension allowance" or LEA and can be based on a specified length in feet of the extension or on a case-by-case economic analysis. LEA's are used throughout the United States and traditionally, the PSC has supported LEAs for both gas and electric utilities. The PSC now seeks to single out gas utility customers by denying them the ability to pay for extensions through their rates and frames this action as "elimination of line extension allowances".

For decades, Maryland utilities have used long-standing and cost-effective practices to extend service to new homes, businesses, and communities, which is a vital part of economic development in Maryland. These initiatives are critically important in communities where the upfront cost of natural gas infrastructure would otherwise put energy access and choice out of reach for consumers.

Eliminating this long-standing approach significantly impacts energy choice, housing affordability, and local economic development across the State. At a time when affordability is a top concern for Maryland families, this new regulation intentionally creates artificial barriers to access natural gas, making basic energy access more costly and less attainable. While not an outright gas ban, the proposed regulation will have the effect of severely hampering Marylanders' abilities to obtain gas service, especially for low- and moderate-income families.

For example, in Columbia's service territory, a recent development that included 72 new homes required no upfront investment from the developer due to the outcome of the LEA economic analysis. Without the LEA, the developer would have had to make an upfront payment of approximately \$683,000.

Similarly, a customer that required a 40-foot extension to take gas service from Columbia required no upfront investment due to the outcome of the LEA economic analysis but would be required to pay approximately \$13,465 if the PSC eliminates LEAs for gas companies.

The PSC is clearly seeking to place its thumb on the scale in favor of electrification by allowing LEAs for electricity service to continue unchanged, which violates its duties to supervise and regulate utilities in the state without unjust discrimination.

Further, the PSC refuses to recognize that ending gas LEAs will result in unjust and uneconomic gas service because it will force new customers to subsidize existing customers.

LEAs are intended to distribute the costs and benefits of line extensions as a whole over the utility's entire customer base. The addition of new customers benefits existing customers by allowing the cost of service to be spread over a larger customer base. Without LEAs, new customers will be effectively subsidizing the service of existing customers, paying more than their fair share of the system costs. Additionally, without the allowances, or a reasonable economic test which includes revenues paid through rates, new customers must pay in full and upfront for their service connections, while existing customers continue to pay for system costs over decades, thereby disadvantaging new customers.

Finally, and perhaps most concerning, the PSC's order was based on conclusory assumptions about Maryland's energy future, rather than a fact-driven analysis. Without any consideration of the impacts of this policy change, the PSC directed its staff to engage in a predetermined rulemaking that must result in ending gas LEAs. But Maryland will continue to rely on gas as an energy source for many years to come, and there is growing evidence that an electrification-only approach would still entail significant emissions, and is otherwise unpopular, expensive, and unfeasible at this time due to serious and widely acknowledged challenges facing the electric grid.

Ultimately, Maryland should pursue an "all-of-the-above" approach to energy as stated by Governor Moore and Senate President Ferguson. This will ensure that affordability and reliability are considered, while prioritizing a customer's ability to choose the type of energy they wish to use.

Columbia believes House Bill 958 is an appropriately and reasonably crafted policy to ensure Marylanders have energy choice with affordable access to the energy they choose. We request a favorable report on House Bill 958.

February 27, 2026

Contact:
Sarah Peters
speters@hbstrategies.us

Contact:
Scott Waitlevertch
(724) 888-9774
swaitlevertch@nisource.com

HB 958_Chesapeake Utilities_Fav (02-27-26) (Final)

Uploaded by: Tyler Majchrzak

Position: FAV



February 27, 2026

HOUSE ENVIRONMENT & TRANSPORTATION COMMITTEE
HB 958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Statement in Support

Chesapeake Utilities of Maryland, Inc. (“Chesapeake”) provides natural gas local distribution service to approximately 33,000 customers across Maryland's Eastern Shore (including Cecil, Dorchester, Caroline, Wicomico, Worcester, and Somerset counties). Chesapeake strongly **SUPPORTS** HB 958 legislation that restores fairness, affordability, and energy choice for Maryland families and businesses by allowing new natural gas customers to continue paying for their line extensions through distribution rates, over a reasonable time period, rather than by cost-prohibitive upfront, lump sum payments.

HB 958 is urgently needed. In June 2023, the Maryland Public Service Commission (the “Commission”) opened a docket titled the “Future of Gas” (Case No. 9707) in response to a petition filed by the Office of People’s Counsel (“OPC”). Since that time, the Commission has accepted comments from Maryland gas utilities and other interested parties, held hearings and conducted discovery regarding the issues raised in the petition. The Commission has yet to issue any final order in Case No. 9707 and the proceeding remains pending. However, in June 2025, the Commission abruptly issued Order No. 91683, directing Commission Staff to prepare regulations that include specific provisions to effectively eliminate gas line extension allowances. In other words, the Commission’s decision to propose line extension regulations is premature and presupposes a certain outcome in Case No. 9707 and before the collection of any record evidence. At a minimum, the Commission should complete its work in Case No. 9707 before deciding whether to promulgate regulations (or take any other action).

We note that the Commission previously approved the line extension allowances currently utilized by all Maryland electric and gas utilities and only after finding such policies just and reasonable. Nevertheless (and with a stroke of the Commission’s pen), Order No. 91683 simply reversed decades of long-standing ratemaking principles that allow customers to fund these extensions gradually through utility rates. It is important to note that the actions taken by the Commission here turned the process for promulgating regulations followed by all other Maryland administrative agencies on its head. Instead of allowing interested parties to file comments before the language in the draft regulations become final; the Commission simply dictated the provisions in the regulations first - and only thereafter allowed parties to comment on the language. Although the Commission allowed parties to file comments on the draft regulations, the regulations were already a *fait-accomplie*.



For decades, Maryland’s gas and electric utilities have used line extension allowances as a cost-effective way to connect new homes, businesses, and entire communities to essential energy service. Eliminating these allowances, as directed by the PSC, would:

- Increase the up-front cost of new home construction, putting energy access out of reach for many Marylanders.
- Reduce housing affordability, as demonstrated by a 2025 National Association of Home Builders study showing that every \$1,000 increase in median new home prices pushes 2,296 Maryland households out of the market.
- Disadvantage low- and moderate-income families, who rely most on payment flexibility and cannot afford large up-front infrastructure costs.

Eliminating line extension allowances forces undue cross-subsidization between customers.

Commission-approved line extension allowances ensure that customers can access natural gas service without prohibitive, upfront lump-sum costs. Without line extension allowances, new customers are forced to subsidize existing customers by paying more than their fair share of system costs, while existing customers are able to continue paying for their extensions (and otherwise contributing to system costs) through rates over decades. HB 958 corrects this inequity, ensuring a balanced cost-sharing model that benefits *all* customers and aligns with long-standing utility practice nationwide.

Eliminating line extension allowances only for gas companies (but not other utilities) is unjustly discriminatory.

Without any basis in record evidence, the Commission criticized line extension allowances and characterized them as: (1) undue subsidies from the utility; (2) masking the true cost of extending utility facilities; (3) encouraging uneconomic extensions of service; and (4) contrary to cost-causation principles. See Order No. 91683. Notwithstanding the inaccuracy of these criticisms generally, the Commission proposed to eliminate line extension allowances for gas companies *only* – but not electric companies. There is no principled difference between line extension allowances offered by gas companies compared to electric companies. The Commission’s actions create an uneven regulatory landscape that favors electric-only utilities and contradicts the Commission’s statutory duty to regulate without unjust discrimination. HB 958 ensures fairness across energy sectors and the Commission’s statutory duty. Maryland’s energy future will require an all-of-the-above strategy. Natural gas remains essential for affordability, reliability, and customer choice and will for many years to come. An electrification-only approach is increasingly recognized as costly, unpopular, and challenged by grid limitations, especially during peak demand periods. HB 958 supports a balanced transition that honors climate goals without compromising affordability or reliability.



HB 958 is a correction. HB 958 is a thoughtful, necessary correction to an overly aggressive regulatory action that would raise energy costs, reduce housing affordability, and limit customer choice. By preventing the elimination of reasonable line extension mechanisms, this bill ensures:

- Fair treatment for new and existing customers
- Fair treatment between gas and electric utilities
- More affordable access to natural gas service
- Support for Maryland families, small businesses, and new housing development
- A balanced, reliable, and customer-focused energy future

On behalf of Chesapeake and our thousands of employees and their families, who contribute every day to the communities where they live, work, and serve, we respectfully request a favorable report on HB 958.

Chesapeake Utilities Corporation
Steve Baccino, Governmental Affairs Director
Contact: sbaccino@chpk.com

HB0958_UNF_CCANAF.pdf

Uploaded by: Brittany Baker

Position: UNF

TESTIMONY OF
LAUREN GYGAX
MARYLAND PROGRAM ASSOCIATE

—
TESTIMONY OF
BRITTANY BAKER
MARYLAND DIRECTOR

—
MIKE TIDWELL
EXECUTIVE DIRECTOR



**HB0958- NATURAL GAS- CONNECTION AND LINE EXTENSION- DISCOUNTS AND
PAYMENT PLANS
UNFAVORABLE**

Environment and Transportation
February 27th, 2026

Dear Chair Korman, Vice Chair Guyton, and Members of the Environment and Transportation Committee,

The Public Service Commission's first order in the Future of Gas Docket is a common sense approach to a reality that is true in Maryland and in many other states around the nation- utilization of the gas distribution system has been decreasing across all sectors: residential, commercial, and industrial.¹

The purpose of this order is to ensure that as customers leave the gas system, customers who are not able to or do not desire to leave are not stuck paying for escalated costs due to accelerated spending by gas companies. This change will save ratepayers an estimated \$150 million annually and \$1 billion through 2035.²

Order No. 91683 ends free extensions of the gas line to new customers, ensures utilities can no longer recover the line extension costs through rate increases, applies to residential and commercial customers, and applies across all gas utilities.

This is a timely update that will ensure lower rates for all of Maryland's gas utility customers.

This bill aims to prohibit the PSC's ability to finalize these regulations. Therefore, **I request an unfavorable report of HB0958.**

¹https://www.eia.gov/dnav/ng/ng_cons_sum_dcu_SMD_a.htm

²https://opc.maryland.gov/Portals/0/Files/Publications/Final_MD%20Line%20Extension%20Policy%20Changes_25%20PM_7.1.2025.pdf?ver=kBgOCB9k00NM3-Elu1sUtA%3d%3d



**TESTIMONY OF
LAUREN GYGAX
MARYLAND PROGRAM ASSOCIATE**

—
**TESTIMONY OF
BRITTANY BAKER
MARYLAND DIRECTOR**

—
**MIKE TIDWELL
EXECUTIVE DIRECTOR**

HB0958 - OPC Testimony.pdf

Uploaded by: David Lapp

Position: UNF

DAVID S. LAPP
PEOPLE'S COUNSEL

WILLIAM F. FIELDS
DEPUTY PEOPLE'S COUNSEL

JULIANA BELL
DEPUTY PEOPLE'S COUNSEL

— **OPC** —
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BRANDI NIELAND
DIRECTOR, CONSUMER
ASSISTANCE UNIT

CARISSA RALBOVSKY
CHIEF OPERATING OFFICER

BILL NO.: House Bill 0958 – Natural Gas – Connection and Line
Extension – Discounts and Payment Plans

COMMITTEE: Environment and Transportation

HEARING DATE: February 27, 2026 (ENT)

SPONSOR: Delegates Buckel, Adams, Arentz, Chisholm, Ghrist, Griffith,
Hartman, Hinebaugh, Hornberger, Miller, Rose, and
Valentine

POSITION: Unfavorable

The Office of People's Counsel (OPC) respectfully offers the following informational comments on HB 0958, which would make it unlawful for the Public Service Commission (PSC) to adopt or enforce any regulation or order that prohibits a public service company from offering customers a subsidy (also sometimes known as an "allowance") or payment plan for the cost of connecting or extending a natural gas line to a customer's property. The immediate effect of HB 0958 would be to stop the PSC from promulgating regulations that have already been drafted but not yet finalized. The legislation would undermine a PSC decision that, once implemented, will substantially reduce future rate increases for Maryland's gas customers.

Line extension subsidies, also known as "allowances" and referred to in HB 0958 as "discounts"—are a regulatory policy that allows utility companies to cover some or all of the upfront cost of connecting a new customer to the distribution system by socializing the cost of the extension among existing customers. The theory behind line extension allowances is that new customers will continue to have gas service for decades, and that the revenue from those sales will more than pay for the subsidy. But the increasingly favorable economics of electric heat pumps call that assumption into question and are likely to result in revenues that are inadequate to cover the costs.

Following years of OPC advocacy raising the risk of potentially stranded costs,¹ in June of 2025, the PSC issued Order Number 91683 in which the PSC determined that line extension allowance provisions in gas utility tariffs “mask the true cost of extending gas service” and are inconsistent with the goals set by the Climate Solutions Now Act.² Accordingly, the PSC directed PSC Staff to draft regulations that would require a customer requesting an extension of gas service to pay the full cost of extending service.³

On December 1, 2025, PSC Staff filed a request for rulemaking along with proposed regulations implementing the PSC’s decision to eliminate gas line extension allowances pursuant to Order Number 91683.⁴ The PSC subsequently initiated Administrative Docket, Rulemaking 92 (RM 92) to consider the regulations submitted by PSC Staff and invited comments from interested parties.⁵ OPC and other stakeholders filed comments on the proposed regulations in RM 92 and Case Number 9707 on January 14, 2026. The PSC scheduled a rulemaking session for January 28, 2026, but that rulemaking session was canceled because of winter storm Fern and has not yet been rescheduled.⁶

In July 2025, OPC published a report, attached to this testimony, estimating that the PSC’s decision to eliminate gas line extension allowances would save customers

¹ See e.g., OPC, *Comments on Baltimore Gas and Electric Company's Supplement No. 500 to P.S.C. Md. G-9: Standard Gas Service Line Extension Charge*, ML# 306731 (Dec. 18, 2023), available at <https://webpscxb.pscmaryland.com/DMS/official-filings>; OPC, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, *Petition for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, ML# 301247 (Case No. 9707, Feb. 9, 2023), available at <https://webpscxb.pscmaryland.com/DMS/home>; OPC, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, *Comments*, ML# 318634 (Case No. 9707, May 6, 2025), available at <https://webpscxb.pscmaryland.com/DMS/home>.

² Md. Pub. Serv. Comm’n, Order No. 91683, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies* (Case No. 9707, June 13, 2025) (2025 MD PSC LEXIS 71) at 7.

³ *Id.* at 10.

⁴ Office of Staff Counsel, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, *Proposed Regulations on Gas Line Extensions*, ML# 324893 (Case No. 9707 and RM 92, Dec. 1, 2025) available at <https://webpscxb.pscmaryland.com/DMS/home>.

⁵ Md. Pub. Serv. Comm’n, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, *Notice Initiating a Rulemaking, Opportunity to Comment, and Rulemaking Session*, ML# 324944 (Case No. 9707 and RM 92, Dec. 3, 2025) at 1.

⁶ Md. Pub. Serv. Comm’n, *Petition of the Office of People’s Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland’s Gas Companies*, *Notice of Hearing Cancellation*, ML# 326538 (Case No. 9707 and RM 92, Jan. 26, 2026).

hundreds of millions of dollars.⁷ The analysis assumed that Order Number 91683 would eliminate new business and capacity expansion investments starting in 2026 and estimated the reduction in future revenue requirement increases by comparing these reductions to the revenue requirement forecasts projected in OPC's [February 2025 Gas Spending Report](#). Assuming that gas line extension allowances are eliminated in 2026, OPC estimated that BGE customers would be spared from paying for \$1.05 billion in gas utility capital expenditures on system expansion through 2035 and thereby avoid rate increases totaling \$620 million over the next 10 years. OPC estimated that WGL customers would be spared from paying for \$563 million in gas utility capital expenditures on system expansion through 2035 and avoid rate increases totaling \$332 million over the next 10 years.

Currently, line extension allowances are entirely a matter of PSC policy and are not governed by any Maryland statute. The PSC is an expert body with the authority, responsibility, and discretion to ensure that utility practices align with the public interest and Maryland's energy policy. The PSC exercised its authority and discretion reasonably in directing a regulation to end line extension subsidies. HB 0958 would unreasonably prohibit the PSC from adopting any regulations ending line extension allowances, as it intends to do in RM 92, and deny customers hundreds of millions of dollars of savings resulting from that prohibition.

OPC requests an unfavorable Committee report on HB 0958.

⁷ OPC Report on PSC Order No. 91683: Estimated Savings from PSC's New Policy Eliminating Ratepayer Subsidies for New-Customer Gas Lines, (July 1, 2025), available at <https://opc.maryland.gov/Publications/Reports>.

Public Service Commission Order No. 91683:
**Estimated savings from the PSC's new
policy eliminating ratepayer subsidies
for new-customer gas lines**

Prepared by Exeter Associates

July 2025

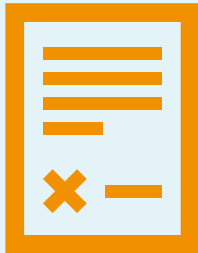
Organization of report

- Gas line connection policy after PSC Order No. 91683
- Gas spending on new-customer connections before PSC Order No. 91683
- Estimated savings from PSC Order No. 91683
- Key takeaways on PSC Order No. 91683 gas line extension policy changes

Gas line connection policy after PSC Order No. 91683

The Maryland Public Service Commission (PSC) has ordered fundamental changes to eliminate the gas utilities' ability to recover from existing customers the costs of adding new customers to their gas systems.

Maryland Public Service Commission Order No. 91683



- In Case No. 9707, OPC requested that the Commission prohibit outdated and costly subsidies for extending utility gas systems for new customers.
- PSC Order No. 91683 (June 13, 2025):
 - PSC agreed that current subsidies create future cost risks for customers and are incompatible with State climate goals
 - Order mandates the elimination of ratepayer-funded subsidies for gas line extensions
 - New customers will be required to pay the full cost of connecting their home or business to gas service

What's changing because of Order No. 91683?



End of Free Extensions

New gas customers must pay full actual cost immediately or under a short-term plan



Effect on Rates

Utilities can no longer recover line extension costs from existing customers through rate increases



Universal Application

Change applies to all residential & commercial customer extension projects



Uniform Policy

All gas utilities must follow the same rules



Next steps PSC Staff drafting regulations - Due December 1, 2025

Gas spending on new-customer connections before PSC Order No. 91683

Maryland gas companies have been spending tens of millions annually to expand the size and capacity of delivery systems to serve new customers. They have recovered those costs from existing customers through rate increases.

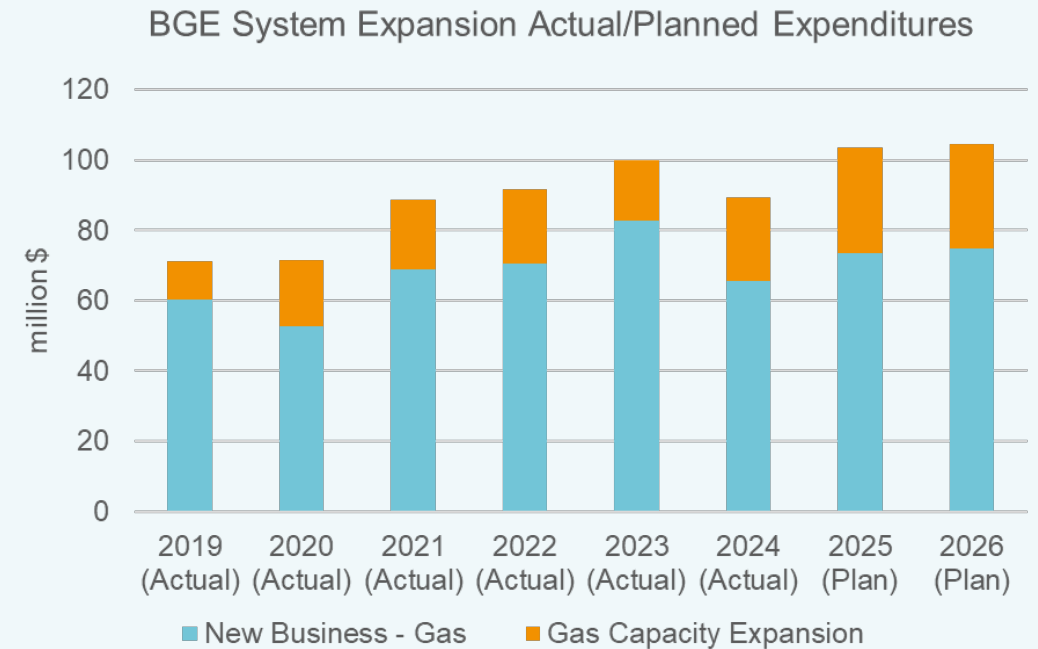
Gas System Expansion Investment Policies Before Order No. 91683

In the absence of the new policies adopted in Order No. 91683, most cost recovery for connecting new customers occurs through the rates paid by existing and new customers alike.

- System expansion investments are generally pursued under one of two investment categories:
 - New business investments that increase the size of the distribution system with new mains and services installed to connect a customer or group of customers not previously served; and
 - Capacity expansion investments that increase system capacity to meet the increased requirements of new customers and any incremental new demand from existing customers.
- New-customer growth has been promoted by line extension policies that allow customers to connect to the system with either no upfront payment or only a nominal upfront contribution to project costs.
 - Baltimore Gas and Electric's (BGE) policy provides residential line extensions at no cost when no extension of a gas main is necessary and the service line extension is less than or equal to 150 feet. Beyond 150 feet, the customer pays an additional \$21.81 per foot for the portion over 150 feet. *BGE Tariff, Section 8.2.*
 - Washington Gas Light's (WGL) tariff sets no limit on the length of the service line for a no-cost residential extension and only potentially requires a payment if a new main installation is needed to serve the new customer(s). *WGL Tariff, General Service Provisions.*
 - Columbia Gas of Maryland installs up to 150 feet of service line from its main to the customer's meter at no cost. For extensions longer than 150 feet, the customer may be required to pay for the entire cost beyond 150 feet depending on the results of an economic test. *Columbia Gas's Tariff, Rules and Regulations Governing the Distribution and Sale of Gas, Section 8, Extensions, Section 8.1.1.1.*

System expansion spending: BGE

- Annual expenditure on new business & capacity expansion categories has averaged \$85 million from 2019-2024, totaling \$512 million.
- In 2025, BGE plans to spend \$103.5 million.*
- In 2026, BGE plans to spend around \$104.6 million.**

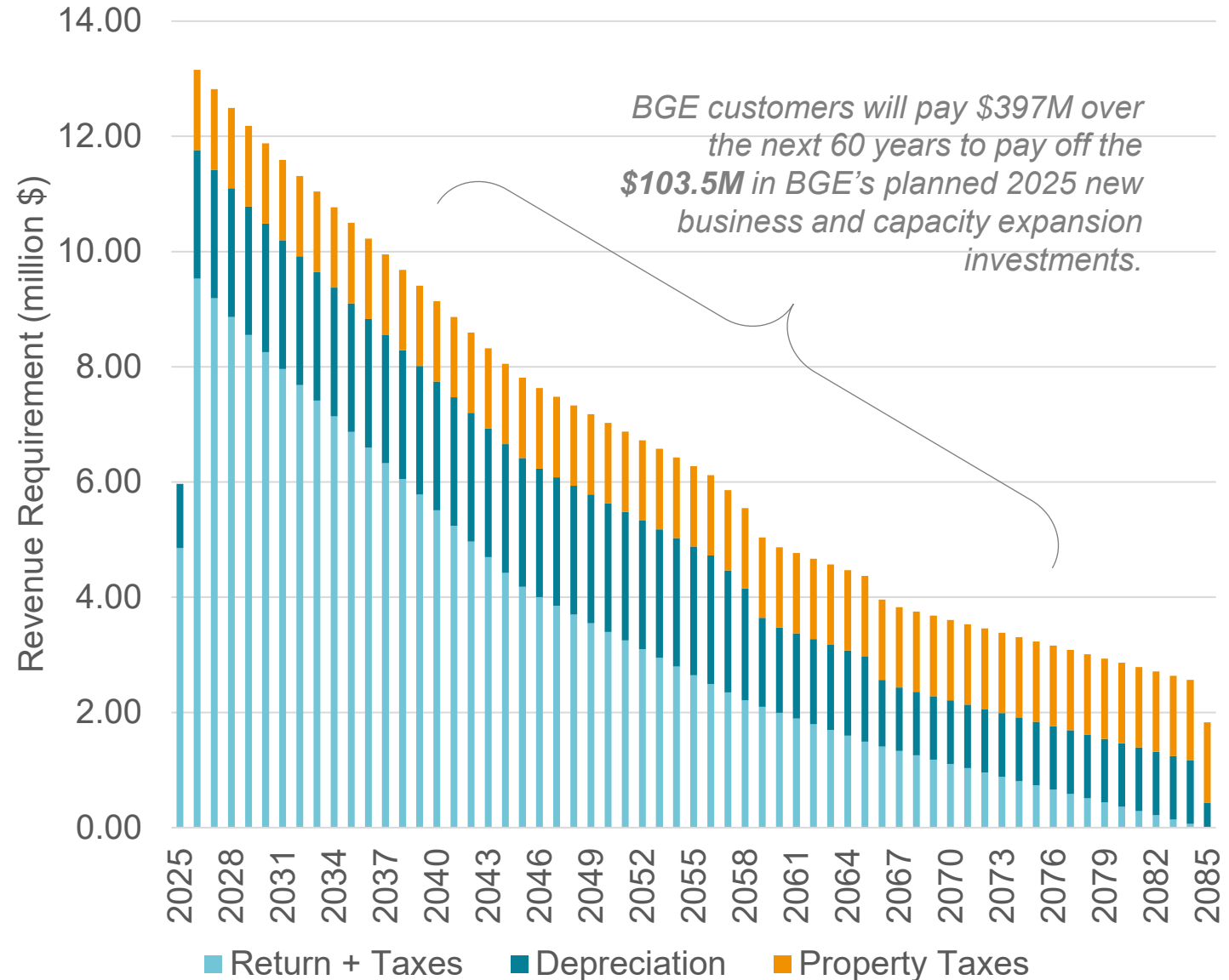


BGE customers will pay over 60 years for just one year of BGE's investments in new business and capacity expansion

- For example, the \$103.5M of investments in new business and capacity expansion projects planned for 2025 will be collected from customers through rates until 2085, costing customers **\$397 million**.
- \$397M in total revenue to be collected:
 - \$207M – Utility return (including profits) + Income Taxes*
 - \$106M – Depreciation*
 - \$84M – Property taxes*
- Total costs are 3.8x the initial investment

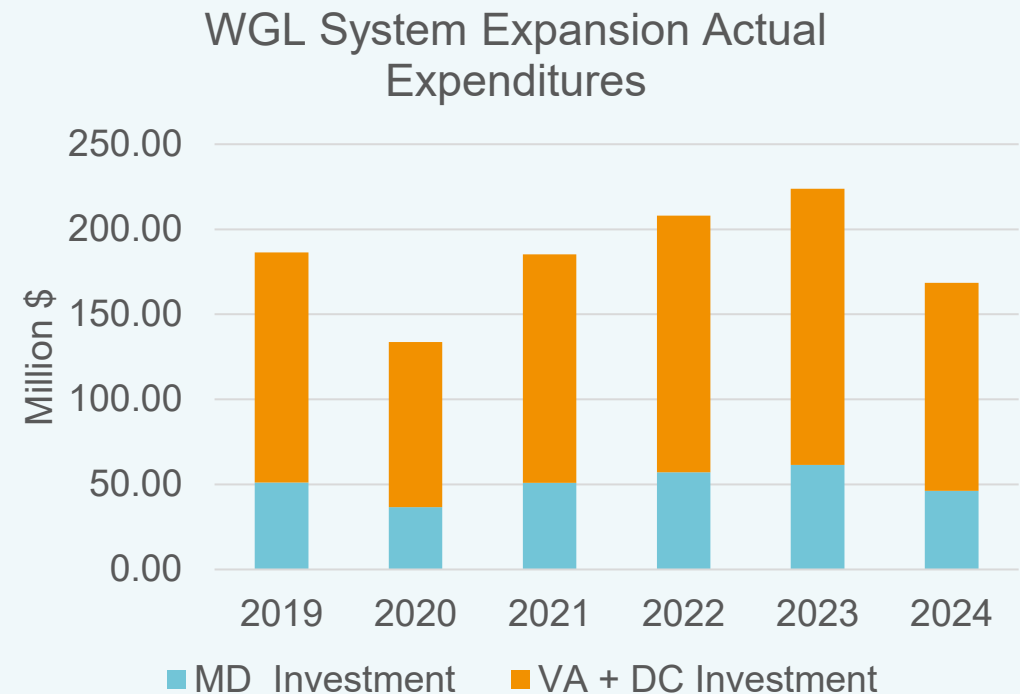
* Includes corresponding bad debt, PSC assessment, franchise tax

Costs of BGE's 2025 System Expansion Investments Remain in Rates Until 2085



System expansion spending: WGL

- Annually WGL has spent around \$134 million on new business and system expansion in MD/DC/VA between 2019-2024; Maryland's share is 37.9%, or \$50.6M per year.*
- Maryland's estimated costs:
 - \$303.9M in total
 - \$50.6M per year (\$56.25M in 2024 dollars)

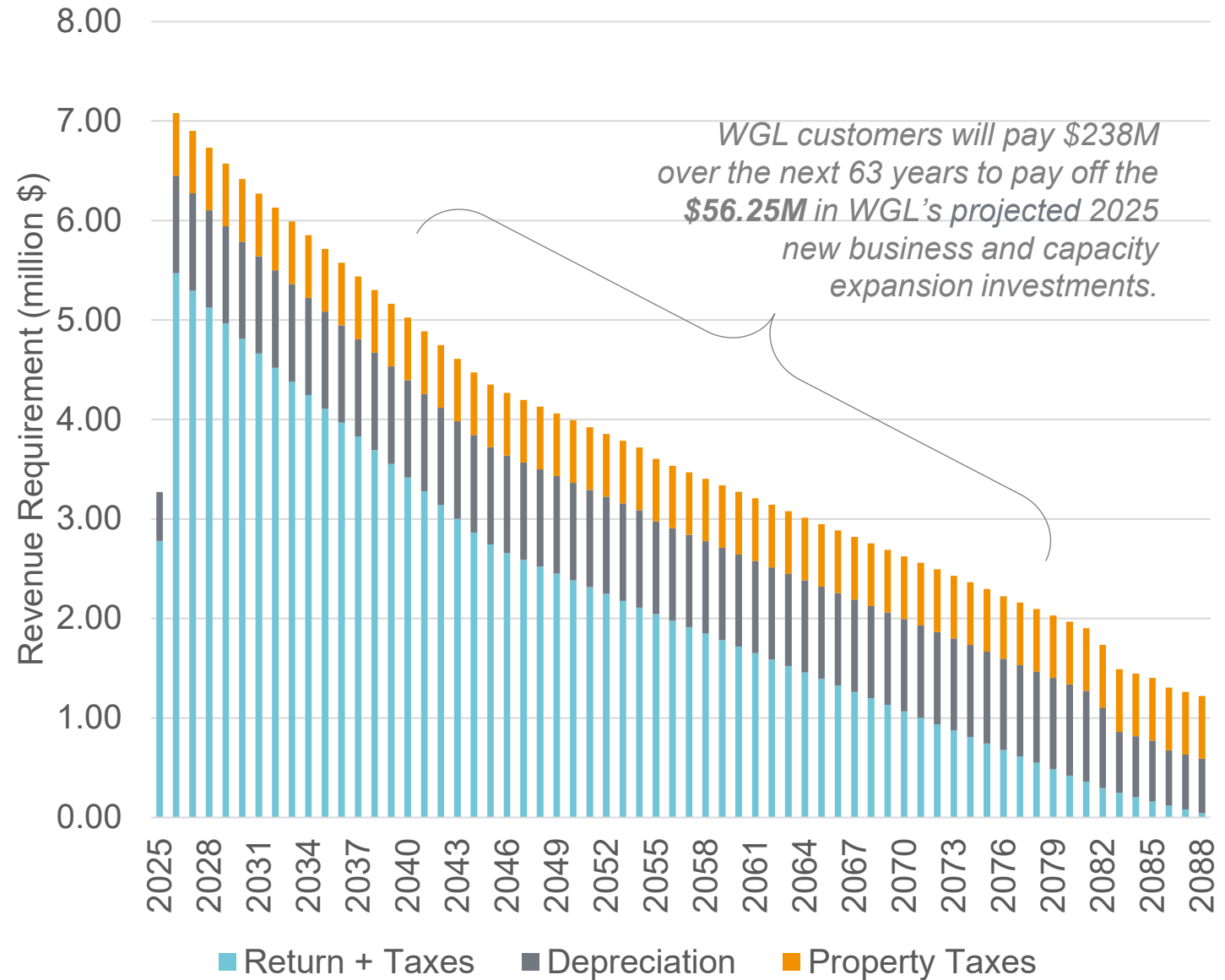


WGL customers will pay over 63 years for just one year of WGL's investments in new business and capacity expansion

- For example, the projected \$56.25M of investments in new business and capacity expansion projects for 2025 will be collected from Maryland customers through base rates over the 2025 to 2088 period.
- \$238M in total revenue to be collected:
 - \$139M – Utility return (including profits) + Income Taxes*
 - \$59M – Depreciation*
 - \$40M – Property taxes*
- Total costs are 4.2x initial investment

* Includes corresponding bad debt, PSC assessment, franchise tax

Costs of WGL's System Expansion Investments Remain in Rates Until 2088



Estimated savings from PSC Order No. 91683

Changes to gas line extension policies will have near-term impacts on utility capital spending that reduce utility revenue needs and lower bills for existing customers.

“[T]he Commission is persuaded that new natural gas customers should pay the full cost of extending service to them, thus minimizing any future potential for stranded costs with respect to new extensions, and reducing any subsidization of gas extensions.”

PSC Order No. 91683 at pages 8-9.

Expected Impact of Order No. 91683 on System Expansion Expenditures

- **New business (customer growth) expenditures will be eliminated from company capital investment plans.**
 - Pre-Order No. 91683, most costs of connecting to the gas system are recovered through the rates paid by existing and new customers alike.
 - After PSC Order No. 91683, existing customers will no longer subsidize the costs of extending gas service to new customers, and new customers are required to pay 100% of project costs.
- **Capacity expansion expenditures should also be reduced from company investment plans.**
 - Anticipated reduction in customer growth from a change in line extension policy will reduce upward pressure on system demand from new customers.
 - At the same time, demand from existing customers may fall with competition from highly efficient electric appliances, concerns about the health and safety of gas, and State incentives for electrification.

How will the new line extension policy impact current gas customers?

Reduced expenditures on new business and capacity expansion projects will have immediate benefits for existing gas customers—by slowing the growth of gas company rate base which will lower future revenue requirements and avoid rate increases.

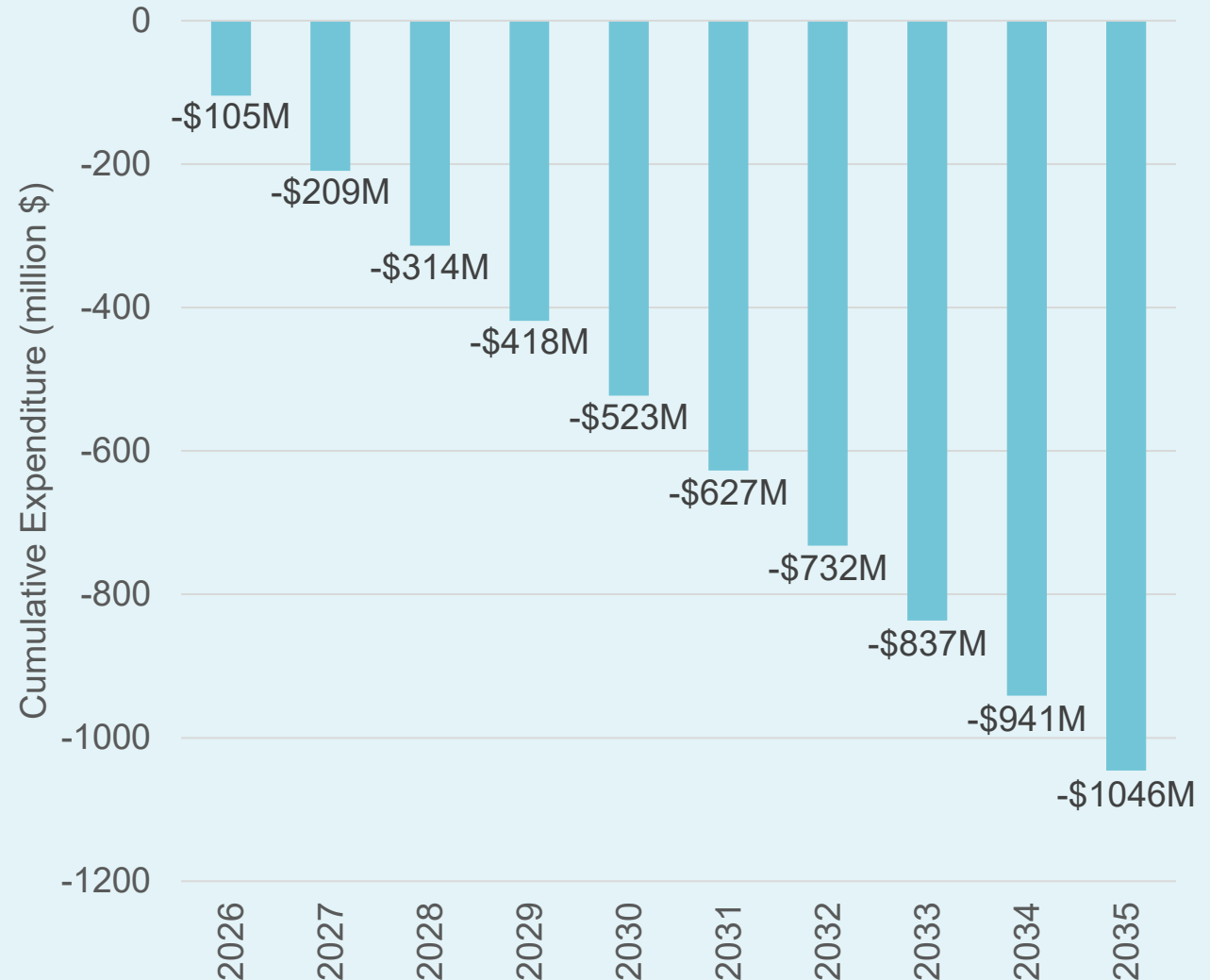
To estimate what the potential savings for WGL and BGE customers might be from the extension line policy change, this analysis:

- assumed that, absent Order No. 91683, new business and capacity expansion spending would continue at estimated/planned 2025 levels;
- assumed that Order No. 91683 eliminates spending on new business connections and the need for capacity expansion investments starting in 2026;
- estimated the reduction in future revenue requirement (rate) increases from the eliminated expenditures; and
- compared these reductions to the revenue requirement forecasts projected for this period in OPC's [Feb. 2025 Gas Spending Report](#).

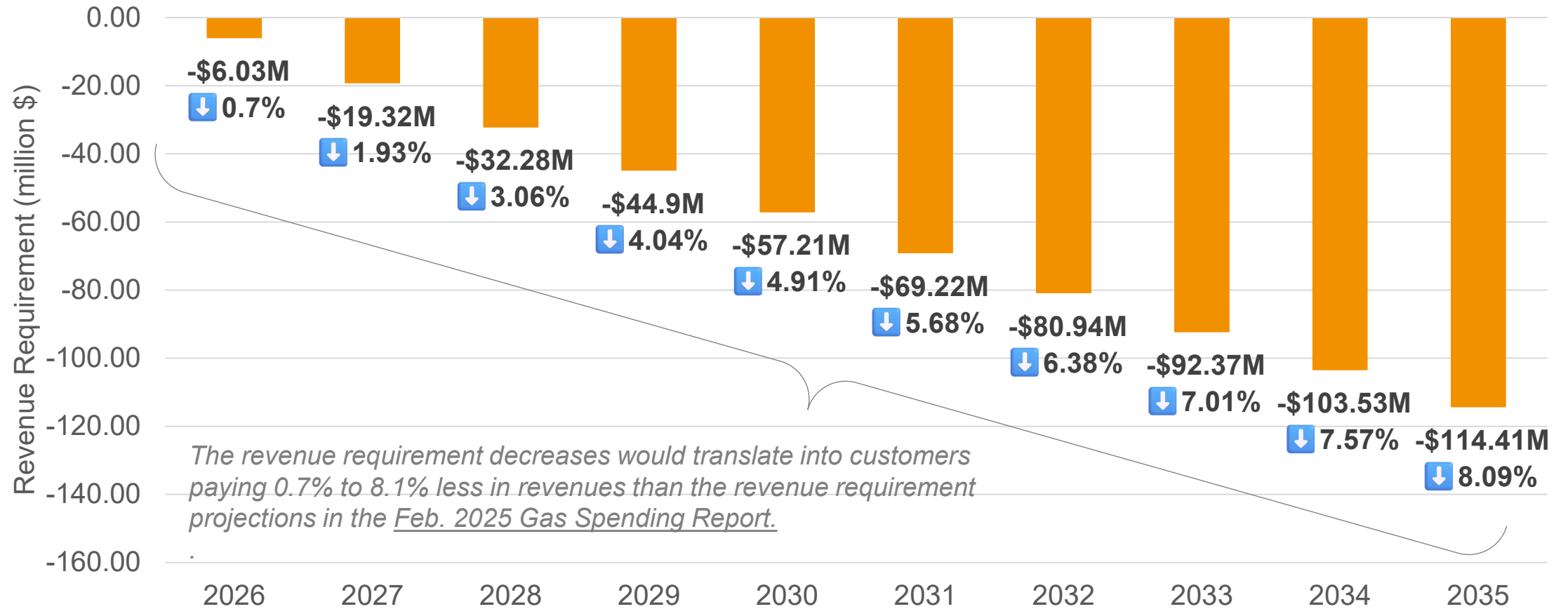
Estimated reduction in BGE system expansion investments, 2026-2035

- BGE’s second multiyear rate plan (MYRP2) project list includes \$103.5 million in new business and capacity expansion projects for 2025.
- Based on BGE’s MYRP2 initial plan and its MYRP2 year 1 and year 2 project lists, we estimate 2026 spending at around \$104.6 million.
 - The estimate assumes that the 2025 project list budgets for both categories will grow at the same rates envisioned in MYRP2 plan.
 - BGE’s MYRP2 plan indicated that new business spend would rise about 1.5% from 2025 to 2026 and capacity expansion would remain the same.
- We assume that without the changes in policy required under Order No. 91683, expenditures on new business and capacity expansion would continue at 2026 levels (\$104.6M).
- Assuming Order No. 91683 is in place in 2026, customers would avoid responsibility for **\$1.05 billion** in gas utility capital expenditures on system expansion through 2035.

Potential Post Order No. 91683 BGE Capital Expenditure Reductions, Cumulative (million \$) 2026-2035

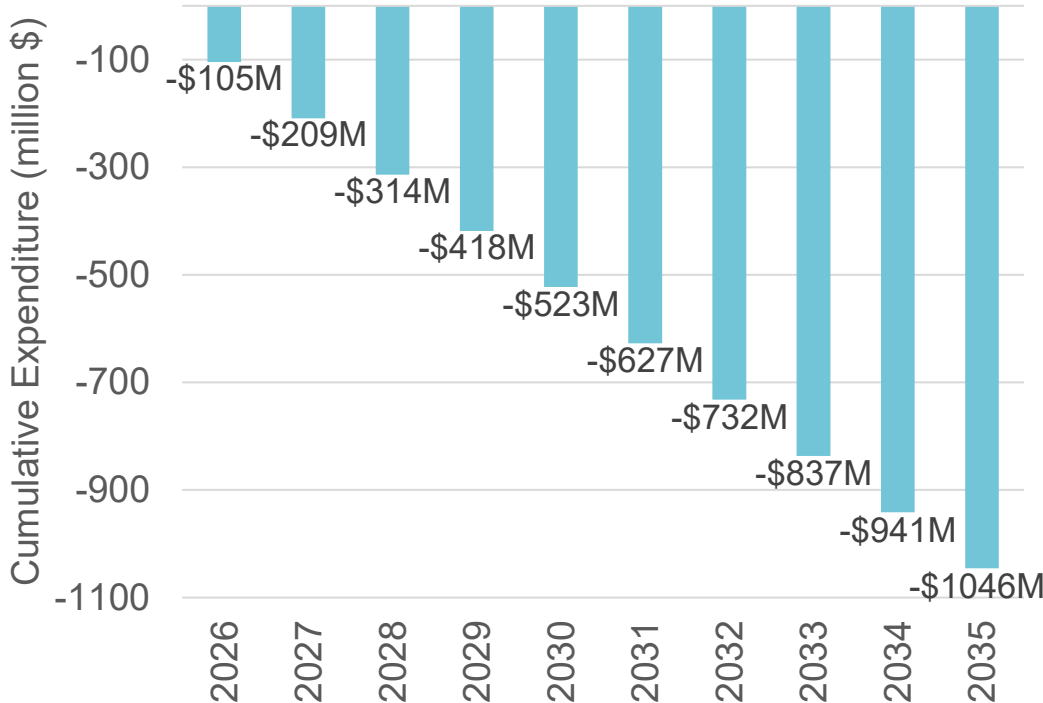


The estimated reduction in 2026-2035 BGE investments would reduce BGE's annual revenue needs by \$6M to \$114M each year

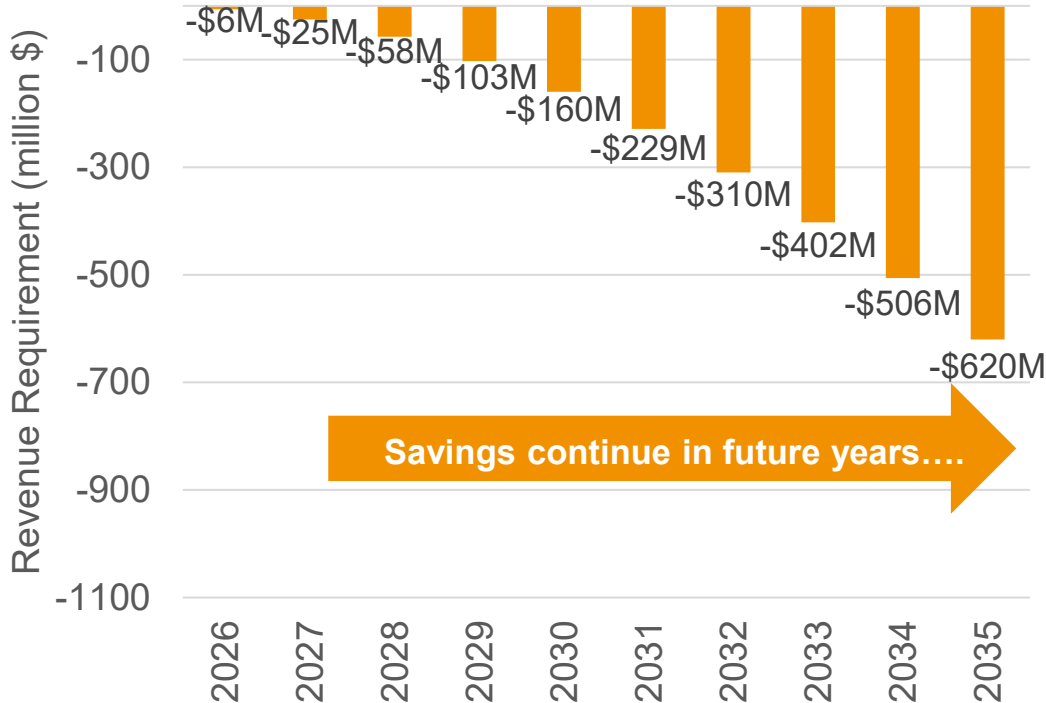


The \$1.05B estimated reduction in 2026-2035 BGE investments would avoid rate increases totaling \$620M over just the next 10 years

Cumulative Reduction in BGE Investment (million \$)



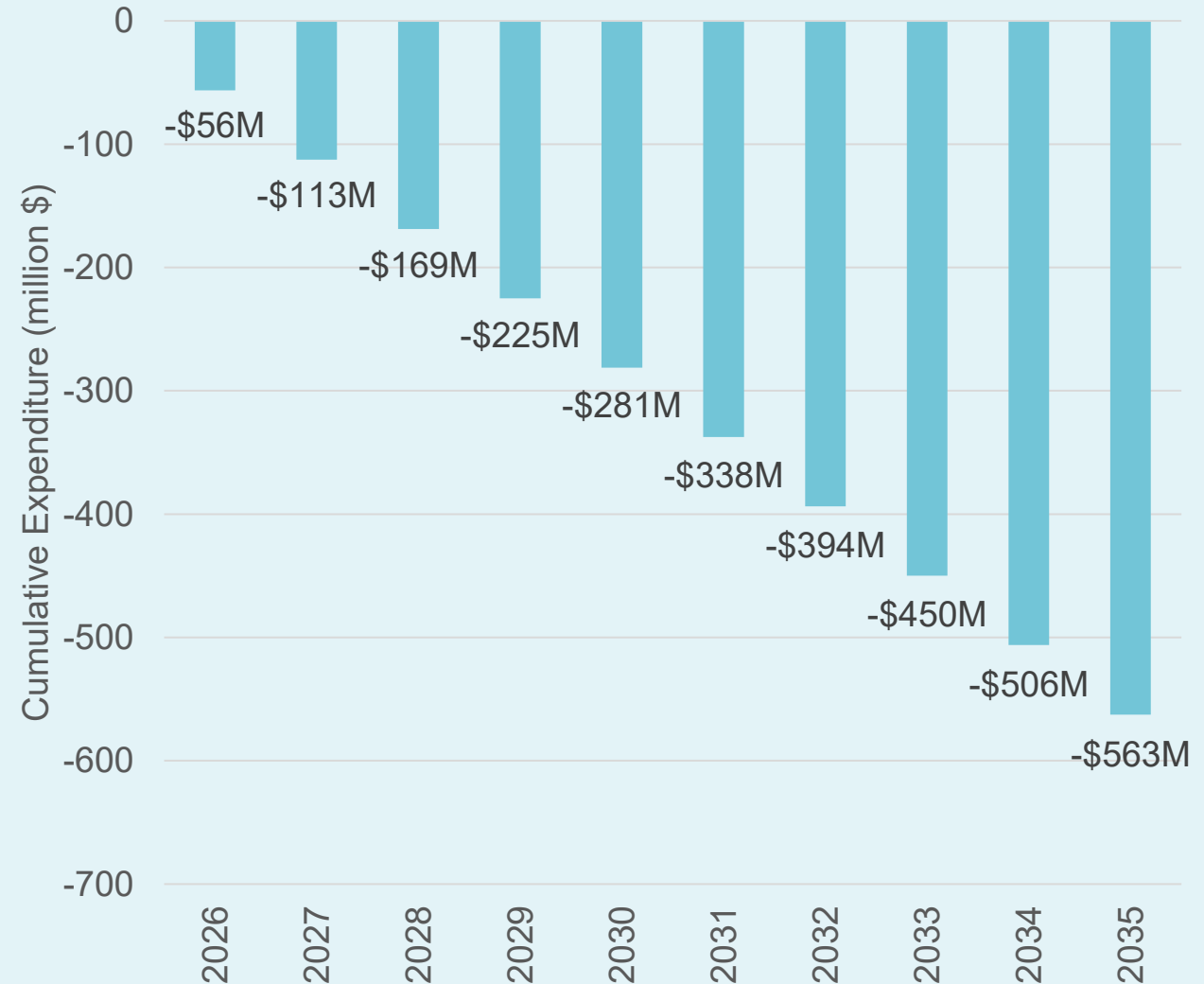
Cumulative Reduction in BGE Revenue Requirement (million \$)



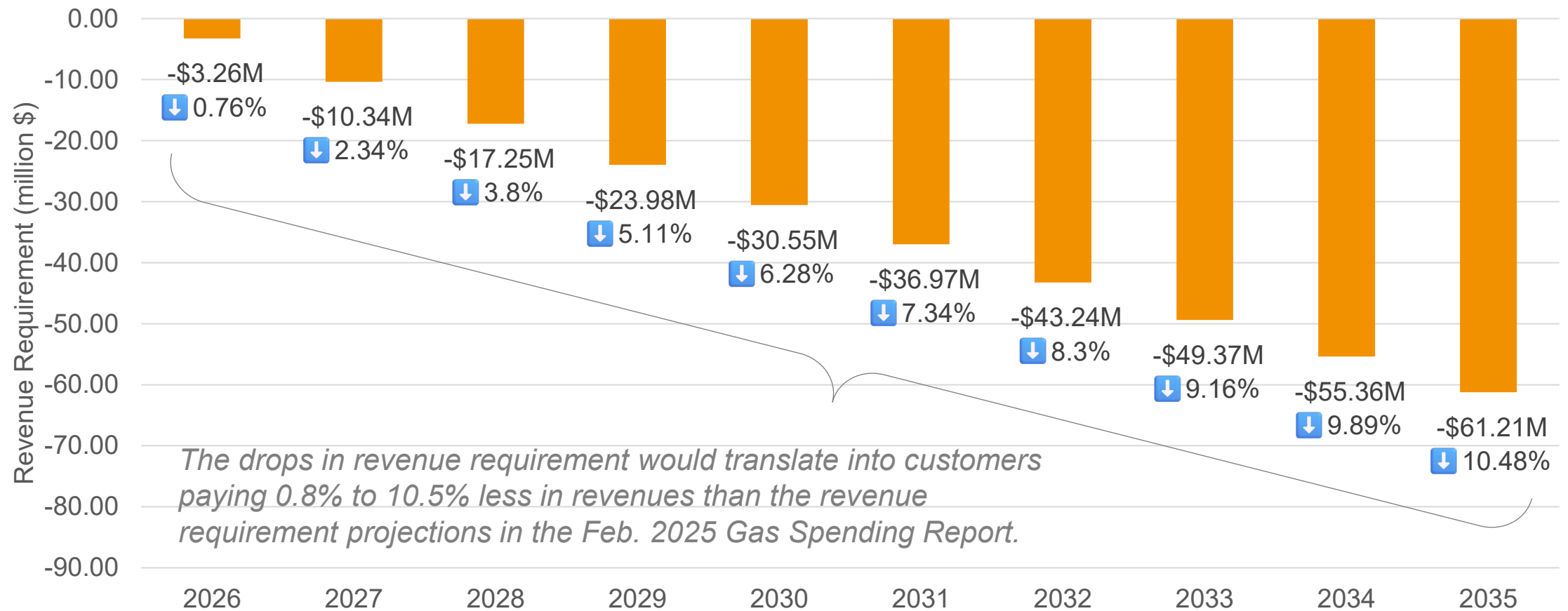
Estimated reduction in WGL system expansion investments, 2026-2035

- WGL has averaged approximately \$50.6M per year in new business and capacity expansion investments in Maryland since 2019:
 - This is based on the 37.9% apportionment of WGL's \$134 million six-year average investments in new business and capacity expansion from 2019-2024.
 - WGL new business and capacity expansion investments were derived from investment amounts presented in annual investor financial reports (10-k filings).
- Inflation adjusted six-year average for Maryland = \$56.25M
- We assume that without the policy changes required under Order No. 91683, WGL's expenditures on new business and capacity expansion would continue at the six-year inflation-adjusted average levels (\$56.25M).
- Assuming Order No. 91683 is in place in 2026, customers would avoid responsibility for **\$563 million** in gas utility capital expenditures on system expansion through 2035.

Potential Post Order No. 91683 WGL Capital Expenditure Reductions, Cumulative (million \$) 2026-2035

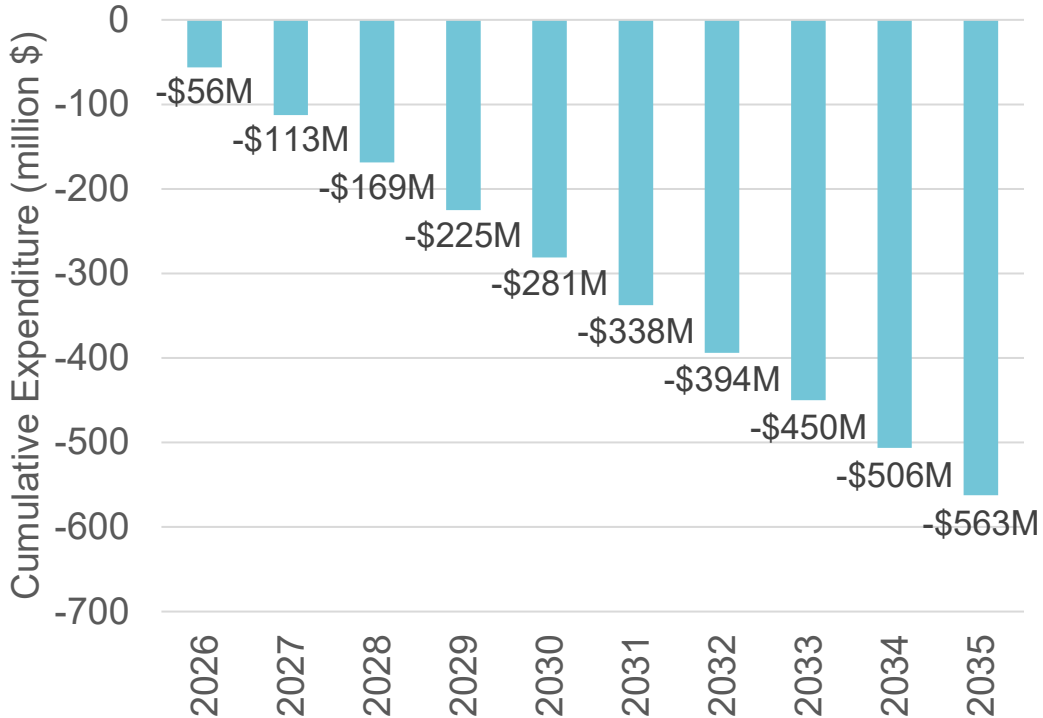


The estimated reduction in 2026-2035 WGL's investments would reduce WGL's annual revenue needs by \$3.3M to \$61M each year

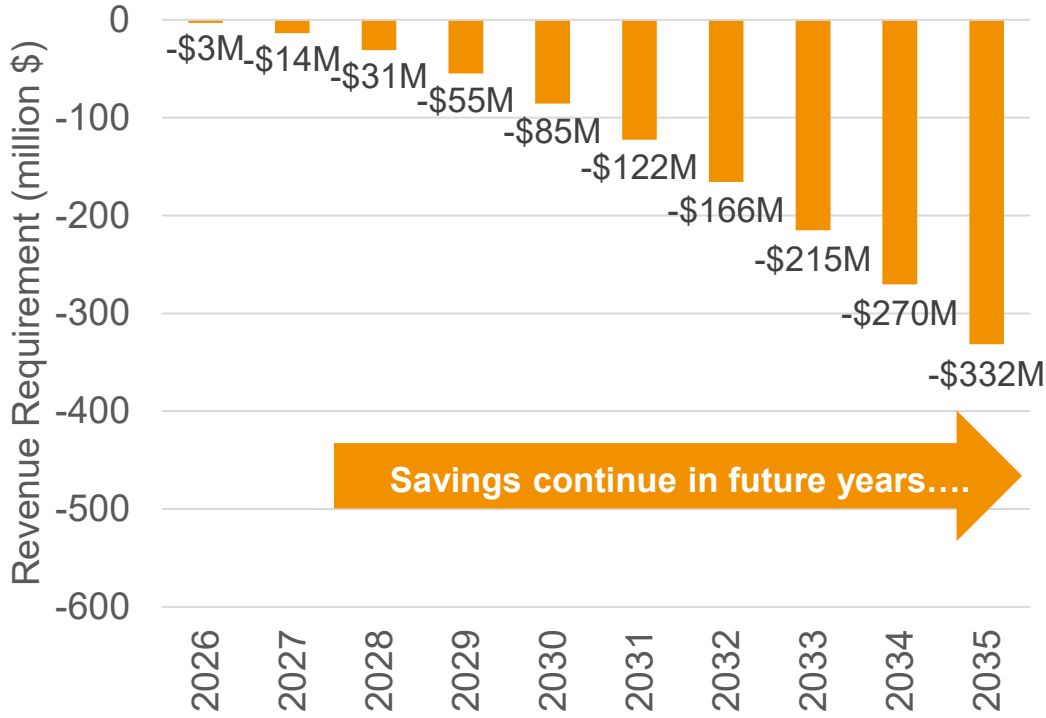


The \$562.5M estimated reduction in 2026-2035 WGL investments would avoid rate increases totaling \$332M over just the next 10 years

Cumulative Reduction in WGL Investment (million \$)



Cumulative Reduction in WGL Revenue Requirement (million \$)



Key Takeaways on PSC Order No. 91683 gas line extension policy changes

Fundamentals of Order No. 91683's gas line extension policy changes

- **Fact #1 - Existing customers will experience lower bill increases in the future because of this change in policy.**
 - As OPC has demonstrated in its [gas spending reports](#), capital investment expenditures have driven a rapid increase in base rates over the last decade.
 - Reductions in capital expenditures on system expansion projects will unequivocally result in lower revenue requirements in future rate proceedings and correspondingly will mitigate future bill increases.
- **Fact #2 - Removing subsidies aligns gas connection policies with standard ratemaking principles.**
 - Existing no-cost or low-cost connections were offered under the prior policy based on assumptions that new customers would remain gas customers for 30+ years and that they would rely on gas as the primary energy source for heat, hot water, cooking, and clothes drying.
 - The new policy will assign the costs of extending the gas system to the new customers who are causing those costs to be incurred.
- **Fact #3 - Order No. 91683 does not restrict consumer choice.**
 - The PSC has not restricted or banned new gas line extensions.
 - Households and businesses looking to receive new gas service are still able to request service as usual.
 - The only change is that these new customers must now pay for the entire cost of connections upfront or agree to a payment plan to spread the entire cost over monthly payments.

Testimony DAC HB958 Unfavorable - Gas Line Extensi

Uploaded by: Debbie Cohn

Position: UNF

Testimony: HB958: Natural Gas – Connection and Line Extension – Discounts and Payment Plans
Committee: Environment and Transportation
Submitting: Deborah A. Cohn
Position: Unfavorable
Hearing: February 27th, 2026

Chair Korman, Vice Chair Guyton and Committee Members:

I urge you to issue an unfavorable report on HB958, which would prohibit the Maryland Public Service Committee (PSC) from eliminating a longstanding flawed policy that benefits utilities at the expense of ratepayers.

Maryland gas utilities spend hundreds of millions of dollars annually connecting new homes and businesses to gas pipelines. They spread this cost among all gas customers, effectively forcing existing customers to subsidize the real cost of the new connection (including years of interest and profits to utilities), thus encouraging new residences and businesses to become new gas utility customers.

For decades, utilities have earned enormous profits under LEAs and are seeking to reinstate this policy. In 2025 alone Baltimore Gas and Electric (BGE) planned to spend \$103.5 million on new gas hookups. After accounting for interest and utility profits, BGE will charge customers \$397 million to cover those costs. Washington Gas (WGL) planned to spend \$56.25 million on new gas hookups, and after accounting for interest and utility profits WGL will charge customers \$238 million, again roughly quadrupling the initial cost.

Fortunately, last year the PSC [issued an order](#) to eliminate LEAs and is in the process of finalizing regulations that would provide potential and existing gas customers a clearer economic signal as to the real cost of building a gas line that attaches a building to the gas utility's infrastructure. Ending LEAs does not ban new gas line connections. New buildings and residence can still choose to connect to the gas system, but they will be responsible for the full cost of the line extension. The Maryland Office of People's Counsel [estimates](#) that the PSC's decision will save BGE and WGL ratepayers \$150 million annually, and nearly \$1 billion through 2035.

Maryland would not be the first to eliminate LEAs. New York, California, Connecticut, Massachusetts and Colorado are ending line extension allowances, and Washington, Oregon and Minnesota are considering this policy change. It is one equitable way to reduce gas utility costs for Maryland ratepayers.

HB958 would have us revert to an outdated policy that benefits gas utilities at the expense of most ratepayers. For these reasons I urge this committee to vote against HB958.

HB958_UNF_Maryland PIRG and Upgrade Maryland.pdf

Uploaded by: Emily Scarr

Position: UNF



UPGRADE MARYLAND

SAFE AND HEALTHY ENERGY FOR EVERY HOME

HB958: Natural Gas – Connection and Line Extension – Discounts and Payment Plans
Environment and Transportation
February 27th, 2026
Emily Scarr, Maryland PIRG
UNFAVORABLE

Maryland PIRG and the Upgrade Maryland Campaign respectfully request an unfavorable report on HB958, which will have harmful consequences for Maryland gas customers.

HB958 would prohibit the Maryland Public Service Committee (PSC) from ending expensive and profitable ratepayer funded incentives for gas line extensions. The PSC's decision to eliminate line extension allowances (LEAs) appropriately aligns costs and incentives with fundamental economics and fairness, and protects gas customers from added costs.

Each year, Maryland gas utilities spend hundreds of millions of dollars connecting new homes and businesses to methane gas pipelines. Gas utilities charge existing customers for these expenses and [profit up to \\$3 for every \\$1 they spend hooking up new homes to gas](#). For decades, this practice, known as “line extension allowances” (LEAs), has driven up customer bills and shareholder profits. In 2025 alone:

- BGE planned to spend \$103.5 million on new gas hookups. After accounting for interest and utility profits, BGE will charge customers \$397 million to cover those costs.
- Washington Gas' planned to spend \$56.25 million on new gas hookups, after accounting for interest and utility profits WGL will charge customers \$238 million, more than four times the initial cost.

BGE gas delivery rates have already more than tripled since 2010 - far outpacing inflation - due in large part to BGE's spending on gas line extensions, pipe replacements and other capital projects. Placing existing gas customers on the hook for financing new gas pipelines will likely increase gas delivery rates. BGE gas customers are already paying \$2 in gas delivery for every \$1 they spend on gas to heat their homes.

In June, 2025, the [PSC put out an order to end this practice](#), and is now in the process of finalizing regulations to do so. The Maryland Office of People's Counsel estimates that the PSC's decision to end LEAs will save BGE and Washington Gas Light Company (WGL) ratepayers an estimated [\\$150 million annually, and nearly a billion dollars through 2035](#).

As the Commission explains in its order to end line extension allowances, the practices “mask the true cost of extending gas service to a new customer, even though such an extension may not be economically justified over the life of the new facilities.” In the Commission’s words, it is unjust and unreasonable to force existing gas ratepayers to bear the costs of other private customers’ decision to connect to the gas system. Under the Commission order¹ and Staff’s proposed regulations,² new gas customers can still choose to connect to the gas system, but will be responsible for paying the cost of doing so. This legislation would roll back the PSC decision to end LEAs, locking gas customers into paying hundreds of millions of dollars and padding utility profits.

Ending LEAs is an essential part of reducing ratepayers’ burden by ensuring customers spending is returning commensurate benefits. It is no longer reasonable to assume the continual and ongoing growth of gas utilities. Gas line extension allowances increase gas customer costs and exacerbate the risk of stranded assets. In other words, the costs to existing customers of subsidizing gas line extensions outweigh the benefits. Advances in highly efficient electric heat pumps make them an increasingly attractive choice for consumers that want a safer, healthier option to heat their homes. In fact, [heat pumps sales already outpace sales for gas furnaces in the U.S.](#) And Maryland utilities [already project a reduction in sales and customers through 2045.](#)³

While some gas customers will stay on the system, others are adopting more efficient appliances and partially or fully electrifying their homes. Functionally, gas utilities will have fewer customers using less gas. That means the costs of the gas system will be shared by fewer customers, and will cost more per customer. **In this circumstance, public policy should support lowering the overall cost of the gas system, not raising it, as gas line subsidies do.** The Commission decision to end LEA’s will help protect gas customers from rapidly rising rates, making it easier for those who want to keep using gas to afford to.

We respectfully request an unfavorable report.

¹ The Commission - Order No. 91683 on Stakeholder Proposals for Revision of Gas Policy. Case No. 9707, Mal Log 319598 (June 13, 2025)

² Office of Staff Counsel - Proposed Regulations on Gas Line Extensions - Long Term Planning for Gas Companies. Case No. 9707, Mail Log 324893 (December 1, 2025)

³ See, e.g., Energy + Environmental Economics (2022) [BGE Integrated Decarbonization Study](#)

ECA testimony on HB0958 LEAs.pdf

Uploaded by: Frances Stewart

Position: UNF



HB0958 - UNFAVORABLE
Frances Stewart, MD
Elders Climate Action Maryland
frances.stewart6@gmail.com
301-718-0446

HB0958 – Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Meeting of the Environment and Transportation Committee

February 27, 2026

Dear Chair, Vice Chair, and Members of the Committee, on behalf of Elders Climate Action Maryland, I urge an unfavorable report on HB0958.

Elders Climate Action is a nationwide organization devoted to ensuring that our children, grandchildren, and future generations have a world in which they can thrive. The Maryland Chapter has members across the state.

Each day, we see the climate crisis more clearly. We know that Maryland is at risk for sea level rise, flooding from intense rainfall, heat waves, and other extreme weather events. The main cause of the climate crisis is the burning of fossil fuels such as natural gas. The methane leaks associated with the natural gas system are also a significant contributor. Moving away from fossil fuels to clean energy is essential for a stable and livable climate future.

For decades, gas utilities in Maryland have charged existing customers for some or all of the cost of new customers' gas line extensions (LEAs). Customers pay the utility not only for the costs of the line extension. They also pay for the interest and profits for the utility.

This has been enormously profitable for the gas utilities. In 2025 alone, Baltimore Gas and Electric (BGE) planned to spend \$103.5 million on gas pipeline expansion, which would cost customers \$397 million after accounting for BGE profits and taxes. Washington Gas planned to spend \$56.25 million on gas pipeline expansion, which would cost customers \$238 million—quadrupling the utility's return on investment. This gives the utilities a huge incentive to build new gas infrastructure that may be in use for many years, making it much more difficult for Maryland to reach our clean energy goals. There is also a substantial risk that those pipelines will become stranded assets.

Those pipeline expansion costs add to the affordability challenges many Maryland households face. For those of us on fixed incomes, including many of our members, this is a serious and growing concern.

Many gas customers in Maryland are moving from gas furnaces or boilers to highly efficient electric heat pumps as a safer and healthier way to heat their homes. [BGE](#) is predicting a decline in the number of gas customers through 2045.

As more and more customers electrify their homes, gas utilities will have fewer customers and sell less gas. The costs of the gas delivery system will be spread over fewer customers, and the cost per customer will rise. It is likely that many of the customers remaining on the gas system will be lower-income people who have obstacles to electrification. We hope that other state and local policies will help those customers electrify their homes, but it is a problem that is unlikely to be solved quickly.

In June 2025, the [Public Service Commission](#) issued an order to end the practice of charging existing customers for these LEAs. The PSC is now in the process of finalizing regulations. The Maryland [Office of People's Counsel](#) estimates that the PSC's decision will save BGE and Washington Gas Light (WGL) ratepayers \$150 million annually and almost a billion dollars by 2035. The PSC's decision does not ban new gas line connections. It simply requires the customer who wants the new connection to pay for it.

HB0958 seeks to prohibit the PSC from ending the practice of charging existing customers for LEAs. This backward-looking bill seeks to increase profits for gas utilities at the expense of their customers and our environment.

For all of these reasons, we strongly urge an unfavorable report on HB0958. Thank you for your time and consideration.

HB958_ Natural Gas – Connection and Line Extension

Uploaded by: HoCo Climate Action Organization

Position: UNF



HoCoClimateAction.org
Howard County, Maryland

Testimony: HB0958: Natural Gas – Connection and Line Extension – Discounts and Payment Plans Environment and Transportation
Hearing Date: February 27, 2026
Bill Sponsor: Delegate Buckel
Committee: Environment and Transportation
Submitting: Shari Glenn for Howard County Climate Action
Position: Unfavorable

Dear Chair Korman, Vice Chair Guyton and Committee Members,

[HoCo Climate Action](#) is a [350.org](#) local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the [Climate Justice Wing](#) of the [Maryland Legislative Coalition](#). Our organization works with residents and ally organizations to promote a safe climate and clean energy future. Specifically, we have worked extensively on clean energy and on building electrification to help Maryland achieve its ambitious climate goals, including net-zero emissions.

We urge you to vote unfavorably on HB958 which would prohibit the Maryland Public Service Committee (PSC) from ending expensive and profitable ratepayer funded incentives for gas line extensions. The elimination of “line extension allowances” (LEAs) appropriately aligns costs and incentives with fundamental economics and fairness, and reversing the PSC decision will have harmful consequences for Maryland gas customers.

Gas utilities have earned enormous profits from LEAs and are reluctant to lose this lucrative money-maker. In 2025 alone, Baltimore Gas and Electric (BGE) planned to spend \$103.5 million on gas pipeline expansion, which would cost customers \$397 million after accounting for BGE profits and taxes. Washington Gas planned to spend \$56.25 million on gas pipeline expansion, costing customers \$238 million and quadrupling the utility’s return on investment.

Fortunately, the PSC issued [Order 91683](#) in June last year. This order set in motion a process for the PSC to revise the process for new gas system connections to prevent cost increases for current gas customers and end this expensive gas LEA incentive. Ending LEAs is not a ban on new gas line connections. New gas customers can still choose to connect to the gas system; however these customers will be responsible for paying for the cost. The Office of People’s Council expects this decision to save Maryland gas customers more than \$1 billion over the next 10 years and reduce the risk of stranded asset costs. Other states, including New York, California, Connecticut, Massachusetts and Colorado are ending LEAs and Washington, Oregon, and Minnesota considering similar measures.

For these reasons, we **oppose HB958** and recommend a **UNFAVORABLE** report.

Howard County Climate Action
Submitted by **Shari Glenn**, Steering and Advocacy Committee
www.HoCoClimateAction.org
HoCoClimateAction@gmail.com

HB0958_Natural Gas Connection & Line Extension–Dis

Uploaded by: Laurie McGilvray

Position: UNF



Testimony for: HB0958 Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Bill Sponsor: Delegate Buckel

Committee: Environment and Transportation

Organization Submitting: Maryland Legislative Coalition Climate Justice Wing

Person Submitting: Monica O'Connor – Co-Chair

Hearing Date: February 27, 2026

Position: UNFAVORABLE

Dear Chair Korman and Committee Members:

Thank you for allowing our unfavorable testimony today on HB0598. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of 32 grassroots and professional organizations focused on climate justice, urges you to vote UNFAVORABLY on HB0958.

HB0958 seeks to prohibit the Maryland Public Service Commission (PSC) from ending a decades-old, flawed policy that benefits gas utilities at the expense of ratepayers. SB0958 would back track on a fairer gas line extension cost allocation process the PSC put in place last summer. This bill would protect the ‘discounts and payment plans’ that benefit gas companies, not Maryland’s existing gas utility ratepayers.

For decades Maryland gas companies have charged existing customers for some or all of the cost of new customers’ gas lines, known as line extension allowances (LEAs). When a new gas pipeline is connected to a building, the costs associated with that connection are passed onto existing gas customers. Customers pay the utility back, including interest and profits, for years. Line extension allowances, subsidized by ratepayers, incentive gas utilities to expand gas pipeline infrastructure and are incompatible with Maryland’s climate goals.

Gas utilities have earned enormous profits from LEAs and are reluctant to lose this lucrative money-maker. In 2025 alone, Baltimore Gas and Electric (BGE) planned to spend \$103.5 million on gas pipeline expansion, which would cost customers \$397 million after accounting for BGE profits and taxes. Washington Gas planned to spend \$56.25 million on gas pipeline expansion, costing customers \$238 million and quadrupling the utility’s return on investment.

Fortunately, the PSC issued [Order 91683](#) in June last year. This order set in motion a process for the PSC to revise the process for new gas system connections to prevent cost increases for current gas customers and end this expensive gas LEA incentive. Ending LEAs is not a ban on new gas line connections. New gas customers can still choose to connect to the gas system;

however these customers will be responsible for paying for the cost. The Office of People's Council expects this decision to save Maryland gas customers more than \$1 billion over the next 10 years and reduce the risk of stranded asset costs. Other states, including New York, California, Connecticut, Massachusetts and Colorado are ending LEAs and Washington, Oregon, and Minnesota considering similar measures.

For these reasons we ask for an UNFAVORABLE vote on HB0958 in committee.

350MoCo

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility

Climate Law and Policy Project

Climate Communications Coalition

Climate Parents of Prince George's

Climate Reality Greater Maryland

ClimateXChange

Coming Clean Network, Union of Concerned Scientists

DoTheMostGood Montgomery County

Echotopia

Elders Climate Action Maryland

Fix Maryland Rail

Glen Echo Heights Mobilization

Greenbelt Climate Action Network

HoCoClimateAction

Howard County Indivisible

Maryland Legislative Coalition

Maryland Energy Advocates

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

Sierra Club Maryland Chapter

Takoma Park Mobilization Environment Committee

The Climate Mobilization MoCo Chapter

Unitarian Universalist Legislative Ministry of Maryland

HB958 UNFAVORABLE.pdf

Uploaded by: Maryrose Wilson

Position: UNF

HB958: UNFAVORABLE

Natural Gas – Connection and Line Extension – Discounts and Payment Plans

Environment and Transportation

February 27th, 2026

I am writing to request an unfavorable report on HB958. This bill would prohibit the Maryland Public Service Committee (PSC) from ending expensive and profitable ratepayer funded incentives for gas line extensions. Reversing the PSC decision will have harmful consequences for current Maryland gas customers.

The elimination of “line extension allowances” (LEAs) appropriately assigns the cost of new gas lines to building owners. New gas customers can still choose to connect to the gas system, but will be responsible for paying for the cost of doing so.

For decades, a practice known as LEAs has driven up customer bills and shareholder profits. Each year, Maryland gas utilities spend hundreds of millions of dollars connecting new homes and businesses to gas pipelines. Gas utilities charge existing customers for these expenses. In 2025 alone:

- BGE planned to spend \$103.5 million on new gas hookups. After accounting for interest and utility profits, BGE will charge customers \$397 million to cover those costs.
- Washington Gas’ planned to spend \$56.25 million on new gas hookups, after accounting for interest and utility profits WGL will charge customers \$238 million, more than four times the initial cost.

The legislation proposed in HB958 would roll back the PSC decision to end LEAs, locking gas customers into paying hundreds of millions of dollars and padding utility profits. In the Commission’s words, it is unjust and unreasonable to force existing gas ratepayers to bear the costs of other private customers’ decision to connect to the gas system. Under the Commission order¹ and proposed regulations,² new gas customers can still choose to connect to the gas system but will be responsible for paying the cost of doing so.

¹ The Commission - Order No. 91683 on Stakeholder Proposals for Revision of Gas Policy. Case No. 9707, Mail Log 319598 (June 13, 2025)

² Office of Staff Counsel - Proposed Regulations on Gas Line Extensions - Long Term Planning for Gas Companies. Case No. 9707, Mail Log 324893 (December 1, 2025)

The Commission decision to end LEAs will help protect existing gas customers from rapidly rising rates, while leaving the option of gas service to new residential and commercial building owners who elect it. Ending LEAs is an essential part of reducing ratepayers' cost burden. It is no longer reasonable to assume the continual and ongoing growth of gas utilities; the costs to existing customers of subsidizing gas line extensions now outweigh the benefits.

While some gas customers will stay on the system, others are adopting more efficient appliances and partially or fully electrifying their homes. Advances in highly efficient electric heat pumps make them an increasingly attractive choice for consumers that want a safer, healthier option to heat their homes. In fact, [heat pumps sales already outpace sales for gas furnaces in the U.S.](#) and Maryland utilities [already project a reduction in sales and customers through 2045.](#)

Moving forward, gas utilities will have fewer customers using less gas. That means the costs of the gas system will be shared by fewer customers and will cost more per customer. In this circumstance, public policy should support *lowering* the overall cost of the gas system, not raising it, as gas line subsidies do.

I urge an unfavorable report.

Thank you.

Sincerely,

Maryrose Wilson 12102 Coppermine Road Union Bridge MD 21791

HB958 - UNF - Natural Gas – Connection and Line Ex

Uploaded by: Megan Outten

Position: UNF



Maryland Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee
FROM: MEA
SUBJECT: HB 958 - Natural Gas – Connection and Line Extension – Discounts and Payment Plans
DATE: February 27, 2026

MEA Position: LETTER OF OPPOSITION

The Maryland Energy Administration (MEA) respectfully submits this letter of opposition to House Bill 958.

HB 958 would prohibit the Public Service Commission (PSC) from adopting or enforcing any regulation or order that restricts a public service company from offering a discount or payment plan for the connection or extension of a natural gas line to a customer's property.

While the bill is narrowly drafted, its implications are significant. By limiting the Commission's authority in this area, HB 958 undermines the PSC's ability to ensure just and reasonable rates and to protect ratepayers from cross-subsidization and stranded infrastructure costs.

The extension of new natural gas distribution infrastructure carries long-term cost implications. When utilities provide discounts for line extensions, those costs do not disappear. These costs are typically socialized across the broader rate base. This can result in existing customers subsidizing new infrastructure investments, even as Maryland works to manage system costs and moderate upward pressure on utility bills.

At a time when Maryland is focused on protecting ratepayers from unnecessary cost burdens, preserving the Commission's oversight authority is essential. The PSC must retain the ability to evaluate whether promotional practices or discounted line extensions align with long-term affordability, system planning, and the State's climate commitments.

Maryland has established ambitious greenhouse gas reduction goals and is advancing policies that support electrification, energy efficiency, and non-combustion heating solutions. Policies that incentivize the expansion of long-lived fossil fuel infrastructure risk increasing stranded asset exposure and locking customers into systems that may become more expensive over time.

HB 958 would remove an important regulatory safeguard by preventing the Commission from restricting practices that could shift costs or conflict with broader energy planning objectives.

Maintaining regulatory flexibility is critical to balancing consumer protection, infrastructure planning, and climate policy.

For the reasons listed above, MEA urges the committee to issue an **unfavorable 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.

HB958 LEA Unfavorable.pdf

Uploaded by: Mona Guilfoil

Position: UNF

HB958: Natural Gas – Connection and Line Extension – Discounts and Payment Plans
Environment and Transportation
February 27th, 2026
UNFAVORABLE
Mona Guilfoil, member of MD Third Act PUC

I am requesting an unfavorable report on HB958, which would prohibit the Maryland Public Service Committee (PSC) from ending ratepayer-funded incentives for gas line extensions (known as Line Extension Allowances or LEAs).

Financial Impact: Maryland gas utilities spend hundreds of millions of dollars each year connecting new customers to gas pipelines. These costs are passed on to existing customers, significantly increasing their bills, and of course, utility profits. For example, in 2025, BGE and Washington Gas planned to spend millions on new hookups, but customers will ultimately pay several times the initial costs due to interest and profits.

PSC Decision:

The PSC decided to end LEAs, stating that the practice hides the true cost of gas service extensions and unfairly burdens existing ratepayers. The new rules would require new customers to pay for their own connections.

HB958 Consequences:

If HB958 passes, it would reverse the PSC decision, forcing existing customers to continue subsidizing new gas connections and increasing utility profits. This is not capitalism.

Changing Market::

With more customers switching to efficient electric appliances and heat pumps, gas utilities are projected to have fewer customers and lower sales. This means the cost burden on remaining gas customers will increase. This is not capitalism.

Policy Recommendations:

Public policy should aim to lower the overall cost of the gas system, not raise it. Ending LEAs protects existing customers from rising rates while still allowing new customers to connect at their own expense. This is how capitalism works.

I urge you to issue an UNFAVORABLE report on HB958 to protect existing gas customers and support fairer, market-driven, and more sustainable energy policies.

Thank you.