



Testimony to the Maryland Public Service Commission Case 9707

Economic Action Maryland is a people-driven movement working to improve economic justice in Maryland through policy advocacy and direct services. While we represent clients across the state of Maryland, we are based in Baltimore City. We urge you to open a proceeding to plan for the future of gas in Maryland.

We appreciate the PSC's holding of this hearing and attention to this crucial issue. As Marylanders across the state are struggling to cope with the increase in the cost of living, the rising cost of utilities is causing hard-working families to adjust their already tight budgets to afford these essential services. According to a [report from the National Low Income Housing Coalition](#), 26% of renter households in Maryland are extremely low-income. Meanwhile, the fair market value for a two-bedroom apartment in Maryland is \$1909, not including the cost of utilities. Last December the PSC approved a \$408 million multi-year price hike for BGE which means that the rising cost of utilities has just begun. This cost crisis is only going to worsen unless we take action soon. According to a [report from the Maryland Office of People's Counsel](#), the financial burden on consumers is expected to escalate, further exacerbating economic disparities and placing undue stress on low-income households. This same report found that BGE is investing in its gas system at [twice the rate of its electric system](#), and is just one third of the way through replacing the 100 year old system.

Expanding gas infrastructure is antithetical to our state's climate goals. The State of Maryland has committed to becoming net zero by 2045, but utilities are raising rates on Marylanders to pay for gas pipelines and equipment that will soon be obsolete, and ratepayers will still be paying off for decades to come. Investing in fossil fuel infrastructure locks us into a dependency on non-renewable energy sources, undermining our efforts to reduce greenhouse gas emissions and transition to sustainable energy solutions. This contradicts our climate commitments and places an unfair financial burden on consumers, delaying the progress needed to achieve a clean energy future.

Not only does continued reliance on gas lead to higher utility rates, but it also leads to health issues amongst our most vulnerable citizens. Fossil fuel burning appliances have a major impact on health, with disparate outcomes affecting children and the elderly most. Gas burning appliances inside homes are highly linked to increased cases of asthma and other respiratory illnesses. For example, nitrogen dioxide exposure that is comparable to that from a gas stove increases the odds of children developing a respiratory illness by about [20 percent](#). An October 2020 Abell report found that in Baltimore City, 20% of children (about 24,000) have an asthma diagnosis, which is more than double the national prevalence of 9%, and pediatric asthma-related emergency department visits occur in Baltimore at more than double the



statewide rate. These take place in predominantly low-income communities with aging gas infrastructure.

Although many Marylanders are already benefiting from the cost savings and health improvements of switching from fossil gas appliances to electric alternatives, this transition cannot be effectively or equitably achieved on a house-by-house basis. As more Marylanders electrify their homes, low-income families will be left to shoulder the costs of the stranded fossil gas infrastructure that utilities continue to build, further increasing their energy bills and financial burdens. There are also climate justice implications, as Black and Brown residents are most likely to live in climate burdened communities or homes with [older](#), gas burning appliances. We must be taking action to ensure clean energy is not a luxury, but the norm.

To meet our climate goals and ensure no one is left behind, we need a managed, phased transition toward clean heat. Therefore, it is crucial for the Public Service Commission to initiate a proceeding to plan for the future of gas in Maryland. Building more fossil gas infrastructure will only lead to stranded assets and higher costs for gas customers. Electrification is not only more cost-effective but also enhances safety and reduces pollution. We need a comprehensive proceeding to address immediate public policy changes and long-term transition planning. We urge you, as Maryland's utility regulators, to lead the way in implementing a managed, phased transition toward clean heat.

Thank you for your time and consideration.

Sincerely,

Zoe Gallagher
Policy Associate