



An Exelon Company

## Position Statement

**Support**  
Senate Finance Committee  
February 2, 2021

### **SB 392 Electricity and Gas - Limited-Income Mechanisms**

Baltimore Gas and Electric Company (BGE) supports *Senate Bill 392: Electricity and Gas - Limited-Income Mechanism*. This bill broadly authorizes the Public Service Commission (PSC) to review and approve utility-managed efforts to support limited-income customers.

With limited exceptions, current law prevents utilities from offering “special rates, rebates, drawbacks, or refunds” to customers unless those privileges are “extended uniformly to all persons under substantially similar circumstances.” A broad interpretation of this provision has prevented utilities from implementing income-qualified assistance programs in the state.

Senate Bill 392 would explicitly authorize Maryland’s gas and electric utilities to propose limited-income mechanisms to the PSC. Under the bill, a limited-income mechanism could be a rate, credit, or other means to assist qualified limited-income customers. The PSC is empowered to review, approve, modify, or deny a utility’s proposal, at the Commission’s discretion.

Utilities in at least 31 states offer limited-income customers discounted rates or credits as envisioned in this bill, including our sister utilities in Illinois, New Jersey, Pennsylvania, and the District of Columbia. BGE supports this legislation’s assertion that limited-income mechanisms to benefit Maryland’s eligible customers are in the public interest.

BGE appreciates the challenges that our customers and our community are facing in the wake of COVID-19, and we are committed to doing our part to support central Maryland. We recently announced a pledge to dedicate \$15 million to assist small businesses with COVID-19 relief and recovery. Earlier this month, eligible businesses began applying for BGE Energizing Small Business Grants of up to \$20,000 each.

This is in addition to BGE’s comprehensive efforts to support Marylanders during the COVID-19 pandemic that have included an additional \$1.5 million contribution to the Fuel Fund of Maryland, \$1 million in funding to county-administered business pandemic relief funds, and expansion of BGE’s Workforce Collaborative infrastructure academy to train approximately 600 local residents for job placement over the next three years.

BGE and the Exelon companies in Maryland directed \$1.25 million to Maryland relief organizations, including the Maryland Food Bank, United Way of Central Maryland, PCs for People, and the Baltimore Community Foundation. The Energizing Small Business

Grants program and all nonprofit contributions are made using shareholder dollars and are not reflected in customer bills.

Still, there is more we can do. This bill offers BGE the opportunity to join our sister companies in offering programs to support our neediest customers over the long-term.

For these reasons, BGE enthusiastically supports this bill and respectfully requests a favorable committee report.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.2 million electric customers and more than 655,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's leading competitive energy provider.