

**STATE OF MARYLAND
OFFICE OF PEOPLE'S COUNSEL**

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BILL NO.: **Senate Bill 162**
Gas Companies – Infrastructure Replacement
Projects – Amendment to Plan

COMMITTEE: **Senate Finance**

HEARING DATE: **January 26, 2016**

SPONSORS: **Senator Astle**

POSITION: **Support**

Senate Bill 162 increases the number of days for the Public Service Commission (PSC or Commission) to take final action on an amendment to an approved plan to invest in eligible infrastructure replacement projects. Under current law, the PSC must take final action to approve or deny an amendment within 120 days after a gas company files the amendment. The Bill increases the number of days for final action to 150.

Amendments to infrastructure plans require extensive investigation and review in a litigated proceeding. In order to determine whether a company meets the statutory requirements for approval of an amendment, discovery by all parties involved is issued and answered. Parties then submit two to three rounds of written testimony before cross examination in an evidentiary hearing. In addition to the gas utility, the other parties in these cases have been the Office of People's Counsel and the Commission Technical Staff. Under the current 120 day timeframe, the parties face extraordinary time pressure to present their cases in order to allow the Commission

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sufficient time to conduct the hearings, review the extensive evidence and draft a decision.

Thirty extra days will help to relieve some of that pressure.

Therefore, the Office of People's Counsel respectfully requests a FAVORABLE report on Senate Bill 162.