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PRESS RELEASE

FOR IMMEDIATE RELEASE

January 17, 2023

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Gas utility's proposal for "green" offering amounts to "greenwashing" that would deceive customers, says People's Counsel

BALTIMORE- Columbia Gas's pending proposal to offer its utility customers carbon offsets and non-fossil fuel "attributes" for an additional fee is a form of greenwashing that the Public Service Commission should reject, the Office of People's Counsel said in a [filing](#) today with the Public Service Commission.

Columbia's so-called "Green Path Rider" proposal would create the first greenhouse gas reduction emissions offset program offered by a Maryland utility. Under the proposal, Columbia's utility customers could choose to pay an additional price to allegedly offset either 50 percent or 100 percent of the CO2 emissions of their gas consumption. Most of the purported benefits—95%—would come from Columbia's purchase of carbon offsets, with the remaining coming from its purchase of "attributes" from non-fossil gas sources that the company calls "renewable natural gas." This week the Commission is undertaking an initial review of the proposal in an abbreviated proceeding without a full opportunity for vetting by interested parties.

"Columbia's proposal should be rejected as an improper offering by a monopoly utility and is misleading to customers who may think their participation reduces their own and Maryland's emissions of greenhouse gases," said People's Counsel David S. Lapp. "Approval of the proposal likely would open the door to other greenwashing efforts that are harmful to customers and to State efforts to meet the challenges of climate change."

OPC's filing with the Commission explains that the proposed program is, at best, a competitive retail service or product that should not be offered to customers by a monopoly utility. Approval would mean Columbia's captive utility customers would be

supporting the company's efforts to compete in the carbon offset market without being compensated for the subsidies they provide.

Most importantly, OPC's filing explains that the program is potentially misleading to customers who are concerned about the environment and climate change. According to the filing, the proposed "Green Path Rider" raises two greenwashing concerns: (1) it deceives customers about the actual emissions reduced through carbon offsets and RNG attributes; and (2) it induces customers seeking to reduce their carbon footprint to continue using fossil gas, which increases greenhouse gas emissions. Further, under Columbia's proposal, customers buying the 100% "green" product would still be using fossil gas that leaks methane, which the proposal fails to address, and some of the so-called "renewable gas" alternatives still release greenhouse gases, according to OPC's filing.

The market for carbon offsets is notorious for quality issues that call into question whether offsets effectively reduce greenhouse gas emissions, says OPC's filing, which includes detailed explanation and an expert affidavit describing the numerous issues plaguing the carbon-offset market. Setting aside the carbon-offset quality issues, Columbia's customers are free to purchase carbon offsets on their own from the competitive market, where consumers can purchase the type of credits they prefer from sellers that provide more information about the offset.

"Columbia's program provides little added value to customers, does not contribute to in-state greenhouse gas emission reductions, and unjustifiably burdens all Columbia ratepayers with program costs," Lapp said. "The Public Service Commission should deny the proposal."