

**BEFORE THE
MARYLAND PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF THE PETITION
OF THE OFFICE OF PEOPLE'S
COUNSEL FOR A TEMPORARY
MORATORIUM ON SERVICE
TERMINATIONS FOR ENERGY
ASSISTANCE CUSTOMERS**

CASE NO.

**PETITION OF THE OFFICE OF PEOPLE'S COUNSEL
FOR A TEMPORARY MORATORIUM ON SERVICE TERMINATIONS
FOR ENERGY ASSISTANCE CUSTOMERS**

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INTRODUCTION

Congress's failure to disburse funds for the Low Income Home Energy Assistance Program ("LIHEAP") prior to the federal government shutdown has led to a looming energy affordability crisis. With winter approaching, and the federal government shutdown in its 27th day and counting,¹ more than 125,000 Maryland households are in danger of being left without critical energy assistance as the heating season begins.² Maryland's Office of Home Energy Programs ("OHEP") typically begins disbursing LIHEAP funds in December after OHEP receives an allocation from the federal government in October. Even if the federal government shutdown ended today, OHEP stated that funds likely would not be made available to OHEP-eligible customers until at least December. The Commission should take emergency action to protect Marylanders who rely on federal LIHEAP funds.

Based on OPC's conversations with OHEP, OPC respectfully requests that the Commission direct the utilities to:

1. Maintain utility service without interruption from November 1, 2025, through March 31, 2026, for the following individuals:
 - a. all recipients of OHEP-administered funds for fiscal year 2025; and

¹ NBC News, *Government shutdown key dates: What happened and what's happening, day by day* (last visited October 24, 2025), <https://www.nbcnews.com/data-graphics/government-shutdown-key-dates-social-security-wic-smithsonian-museums-rcna235198>.

² 126,107 households were approved for LIHEAP-funded Maryland Energy Assistance Program ("MEAP") benefits in fiscal year 2025, with \$58,069,947.84 in MEAP benefits issued. Maryland Department of Human Services, Monthly Public Reports FY 25 (last visited October 27, 2025), <https://dhs.maryland.gov/documents/OHEP/OHEP%20Monthly%20Data/2025-06%20June/Monthly-Public-Reports-FY-25-Participation-by-Program-7.pdf>.

- b. all recipients of OHEP-administered funds for fiscal year 2026;
2. Maintain utility service without interruption for 45 days after the date that LIHEAP funds are released to OHEP, provided that LIHEAP funds are released in the period from October 28, 2025 through March 31, 2026;³
3. Waive late fees for the individuals described in (1), above; and
4. Waive any down payments required for any utility payment plans for the individuals described in (1), above.

OPC further requests that the Commission extend the protections from terminations to any customers that are included on weekly lists of OHEP-approved applicants for OHEP-administered funding that is transmitted by OHEP to the utilities, with the utilities to restore service to any previously terminated customers included on those lists while waiving any disconnection fees, reconnection fees, and security deposits.

The Commission also should provide guidance for utility messaging about the termination protections. Utilities should place messaging on utility bills, in a prominent location on the utilities' websites, in any prerecorded utility phone system messages, and in online bill payment portals advising customers that they may be eligible for OHEP assistance and how they can apply. Messaging should advise customers of the Commission's temporary termination moratorium, the reason for it, the anticipated time frame that it will end after funds are disbursed to OHEP, and the fact that customer

³ In the event that LIHEAP funds are not released until, for example, March 31, 2026, it would be illogical for customers to be terminated without OHEP having the opportunity to disburse these benefits. However, if LIHEAP funds are not released by the end of the crisis season, continuing to pause terminations on customer bills may not be an effective solution. If that were to occur, the Commission would need to take further action.

balances will continue to accrue during the moratorium. OPC and Commission staff should have an opportunity to review and sign off on all such messaging.

The 45-day grace period following the release of LIHEAP funds will give OHEP time to disburse payments to Marylanders once funds are received. The notifications described above are necessary to encourage eligible customers to apply for OHEP while preparing OHEP customers for the cessation of the termination protections. The prohibition on utility service terminations from November 1, 2025, through March 31, 2026, is intended to protect OHEP customers from having their service terminated either before, or during, the coldest periods of the year,⁴ while also protecting customers during OHEP's crisis season.⁵ Depending on the length of the government shutdown, OHEP customers could accrue past utility bills and then face terminations—despite the application of any OHEP funds, which will likely be insufficient to cover outstanding balances—during the coldest time of the year. The Commission should take action now to prevent the severe public health risk inherent in utility service terminations during winter.⁶

⁴ See Attachment 1: U.S. Department of Commerce, National Oceanic & Atmospheric Administration, National Environmental Satellite, Data, and Information Service, *Summary of Monthly Normals, 1991-2020* (generated on Oct. 24, 2025), <https://www.ncei.noaa.gov/access/us-climate-normals/>.

⁵ Maryland Office of Home Energy Programs, *Maryland Office of Home Energy Programs Crisis Season Declaration Form* (last visited October 27, 2025), <https://dhs.maryland.gov/documents/DHS%20Forms/FIA%20Forms/English/OHEP/DHS-FIA-805-OHEP-Crisis-Season-Declaration-Form-English.pdf>.

⁶ Matthew Flaherty, Sanya Carley, and David M. Konisky, *Electric utility disconnection policy and vulnerable populations*, *Electr. J.* Volume 34, Issue 6 (July 2021) <https://www.sciencedirect.com/science/article/pii/S1040619020301512> (noting that according to data from the Environmental Protection Agency, a similar number of deaths occur due to extreme heat and extreme cold exposure each year in the United States.); Emma F. Hand, David S. Shaffer, et. al., *Utility Disconnections and Shutoffs*, *Energy Bar Association - Energy Law Journal*,

BACKGROUND

OHEP administers federal LIHEAP funds, ratepayer-collected energy assistance funds, and Maryland Strategic Energy Investment Funds collected through the Regional Greenhouse Gas Initiative auction for purposes of providing energy assistance to low-income ratepayers.⁷ But OHEP's mission has been made more difficult due to the 27-days-and-counting federal government shutdown. LIHEAP funds that are typically awarded to OHEP in October and made available to Maryland customers in December will be delayed, indefinitely. The Commission must act to mitigate the impacts of this funding shortage on Maryland's low-income residential utility ratepayers.

The Commission has broad authority to supervise and regulate public service companies to ensure that they operate in the interest of the public, and in doing so, is mandated to consider public safety.⁸ The Commission has the authority to take emergency action and it has done so in the past. The Commission temporarily prohibited utility service terminations in response to the COVID-19 pandemic.⁹ The Commission extended the notification period for terminations during periods of extreme heat last summer.¹⁰ On June 18, 2024, in response to an OHEP funding shortfall, the Commission extended the notification period for terminations and stated that although it would not

Volume 46 Issue 2 (May 2025) <https://www.eba-net.org/felj/current-edition/> at 324 (identifying cold weather termination prohibitions in 42 states); Hernández D. Understanding 'energy insecurity' and why it matters to health. *Soc Sci Med.* 2016 Oct;167:1-10. doi: 10.1016/j.socscimed.2016.08.029. Epub 2016 Aug 21. PMID: 27592003; PMCID: PMC5114037, <https://pmc.ncbi.nlm.nih.gov/articles/PMC5114037/> at 16.

⁷ Md. Code Ann., Pub. Util. ("PUA") § 7-512.1; Md. Code Ann., Hum. Servs., §§ 5-5A-01 - 5-5A-10.

⁸ PUA § 2-113.

⁹ Maryland Public Service Commission, Order No. 89636 (PC53, Sept. 22, 2020) at 3.

¹⁰ Maryland Public Service Commission, Order No. 91239 (Case No. 9745, July 23, 2024) at 7.

institute a moratorium, it expected all utilities to “lock accounts and halt disconnection practices” until at least July 31, 2024.¹¹

OPC met with OHEP staff prior to filing this petition. Based on these conversations, it is OPC’s understanding that the following types of funding—all derived from LIHEAP monies—are dwindling and are expected to run out by October 31, 2025:

- Maryland Energy Assistance Program (“MEAP”) home heating assistance funding;
- Gas Arrearage Retirement Assistance (“GARA”) funding, which assists customers with paying past due natural gas bills;
- Bulk fuel funding, which supports customers who purchase fuel oil and other types of bulk fuels; and
- Crisis funding, which provides expedited assistance in the event of a household’s lack of heat or imminent lack of heat, along with other qualifying criteria, during the “crisis season” of November 1 through March 31.¹²

When the funds are exhausted, OHEP will have to start allocating any remaining MEAP carryover funds from fiscal year 2025 to its most vulnerable customers, to the extent permitted by statute and regulation. OHEP has identified bulk fuel customers as among the most vulnerable, due, in part, to the fact that many bulk fuel customers are older adults.¹³ OHEP explained that it may be forced to utilize remaining MEAP carryover funds to protect these customers. This would leave only Electric Universal Service Program (“EUSP”) and Electric Arrearage Retirement Assistance (“EARA”)

¹¹ Maryland Public Service Commission, Order No. 91202 (June 18, 2024) at 11.

¹² Maryland Department of Human Services, Office of Home Energy Programs, *Operations Manual* (Updated May 2025) at 70, <https://dhs.maryland.gov/documents/OHEP/OHEP-Operations-Manual.pdf>.

¹³ OPC does not have data on the demographics of bulk fuel customers, but OHEP provided this explanation to OPC.

funds for electric customers,¹⁴ but nothing for gas customers, as EUSP and EARA funds are not available to gas customers. OHEP noted that a large majority of Marylanders use electricity for heating, which means that electric-heating customers will be left with *partial* assistance and gas-heating customers will be left with *no* assistance as winter approaches.

COMMENTS

I. Delayed LIHEAP funding and high winter utility bills could create a dangerous situation for Maryland’s low-income utility customers.

It is impossible to ascertain when LIHEAP funding will arrive for Marylanders. OHEP customers rely on this assistance in December, when it is usually disbursed. This disbursement depends on an allocation of funds from the federal government in October, which has not yet occurred this year. If this funding is not made available in December as is the custom, OHEP customers could have unpaid bills in January, and—without Commission action—could face termination of service in January or February, the coldest months of the year.¹⁵ If January 2025 is any indication of the weather customers will face this winter, the lack of energy assistance may be compounded by excessively high utility

¹⁴ OHEP’s EUSP program, which includes an electric arrearage retirement component, is funded by Maryland ratepayer funds and proceeds from the Maryland Strategic Energy Investment Fund through the Regional Greenhouse Gas Initiative auction. (Maryland Department of Human Services Office of Home Energy Programs, *Electric Universal Service Program (EUSP) Proposed Operations Plan for Fiscal Year 2026* (Revised), ML No. 321798 (CN 8903, August 22, 2025) at 4, 17.) As such, these programs are not affected by the federal government’s failure to disburse LIHEAP funds.

¹⁵ See Attachment 1: U.S. Department of Commerce, National Oceanic & Atmospheric Administration, National Environmental Satellite, Data, and Information Service, *Summary of Monthly Normals, 1991-2020* (generated on Oct. 24, 2025), <https://www.ncei.noaa.gov/access/us-climate-normals/#dataset=normals-monthly&timeframe=30&location=MD&station=USW00093721>.

bills due to a combination of extreme cold, gas supply cost increases,¹⁶ and utility distribution rate increases. Utility customers struggled last winter to pay their bills even with energy assistance, prompting legislative hearings before the Maryland General Assembly and Baltimore City Council.¹⁷ Maryland's low-income utility customers cannot afford to be left without protection this winter. While OPC recognizes that a moratorium on terminations through the end of the crisis season may lead to the accrual of large bill balances for OHEP customers, service terminations in April, which has relatively mild weather, pose far less risk to customers than service terminations either before, or during, the coldest months of the year.

II. OPC consulted with OHEP, and its proposal to temporarily cease terminations for OHEP customers is consistent with the practices of some utilities.

OPC developed the approach outlined above in consultation with OHEP. OPC also contacted the utilities to inquire about any plans that they were developing to address the delay in LIHEAP funding availability. As of the filing of this petition, SMECO and Columbia Gas of Maryland were the only utilities that provided OPC with their planned responses. SMECO indicated that its preliminary plan was to take similar action to the

¹⁶ U.S. Energy Information Administration, *Short-Term Energy Outlook* (last visited October 28, 2025), <https://www.eia.gov/outlooks/steo/report/natgas.php>.

¹⁷ Fox 45 News, *'We are bleeding' – Baltimore residents plead for help as energy bills rise* (last visited Oct. 27, 2025), <https://foxbaltimore.com/news/local/baltimore-residents-plea-for-help-rising-bge-energy-bills>; The Baltimore Banner, *BGE customers demand rate relief as utility bills soar: 'Shouldn't have to choose between oxygen and the heat'* (last visited Oct. 27, 2025), <https://www.thebanner.com/politics-power/local-government/bge-hearing-baltimore-city-council-RYDCUZQKLRRHHPH7P4F62573EVA/>; The Baltimore Banner, *BGE approach compared to 'extortion' as lawmakers grill execs over soaring bills*, (last visited Oct. 27, 2025), <https://www.thebanner.com/politics-power/state-government/bge-rates-maryland-general-assembly-EZJE6I2IBBAJ3AHXKD73QN5DWM/>.

action it is taking to help displaced federal government workers during the current federal government shutdown.¹⁸ SMECO provided OPC with a list of anticipated actions that it might take to work with customer-members who notified SMECO that they were either receiving energy assistance or had applied for energy assistance, including: temporarily cancelling collection and disconnection action for the customer's account; offering extended payment arrangements; and reconnecting service without requiring payment, without assessing any collection and reconnection fees, and without assessing a deposit. SMECO also indicated that it would monitor the accounts of customers who had traditionally received pledged funds from OHEP for which payment had not yet been received and keep those accounts out of collections.

Columbia Gas of Maryland indicated that beginning October 27, 2025, it would halt any further collections in Maryland until further notice. The utilities who responded to OPC's inquiry generally support protecting OHEP customers, although the utilities' proposed timeline for termination protections is unclear. The Commission-ordered timeline for prohibiting terminations of OHEP-eligible customers should encompass the entire OHEP-designated crisis season, from November 1, 2025 through March 31, 2026.

¹⁸ Southern Maryland Electric Cooperative, SMECO Offers Support for Members Impacted by Federal Government Shutdown (last visited October 27, 2025), <https://www.smeco.coop/news-releases/smeco-offers-support-for-members-impacted-by-federal-government-shutdown/>.

III. The Commission should require utilities to coordinate with OHEP to identify newly eligible OHEP customers.

After discussions with OHEP, it is OPC's understanding that the utilities have knowledge of the customers who received OHEP benefits in fiscal year 2025 and who have received benefits in fiscal year 2026. Those customers can and should be protected.

What the utilities do not have access to, however, is the real-time list of newly approved OHEP applicants, many of whom are automatically eligible through categorical eligibility. OHEP is currently investigating the feasibility of sending a weekly list to the utilities of new OHEP applicants so that they can also be protected from termination. This approach would be imperfect and would inevitably result in some customers having their service terminated before they applied to OHEP and before the utilities were made aware of their OHEP status. Assuming that OHEP is able to provide this information, any customers who appear on OHEP's lists of newly eligible customers should have their termination and reconnection fees waived and have their utility service restored. These customers would then be protected from termination during the crisis season and for 45 days after LIHEAP funds were released to OHEP, under the approach that OPC outlines above.

CONCLUSION

It is urgent that the Commission take action now to protect OHEP customers in order to prevent health risks this winter. While OPC shares concerns over uncollectibles—which utilities allocate to other ratepayers to pay—those concerns are

outweighed by the potentially life-threatening effects of leaving low-income customers without utility service this winter. OPC respectfully requests that the Commission issue an order directing the utilities to:

1. Maintain utility service without interruption from November 1, 2025 through March 31, 2026 for the following individuals:
 - a. all recipients of OHEP-administered funds for fiscal year 2025; and
 - b. all recipients of OHEP-administered funds for fiscal year 2026;
2. Maintain utility service without interruption for 45 days after the date that LIHEAP funds are released to OHEP, provided that LIHEAP funds are released in the period from October 28, 2025 through March 31, 2026;
3. Waive late fees for the individuals described in (1), above; and
4. Waive any down payments required for any utility payment plans for the individuals described in (1), above.

Additionally, OPC respectfully requests that the Commission direct the utilities to coordinate with OHEP to identify newly eligible OHEP customers and provide these customers with the same protection extended to customers who have already received OHEP funds. Newly eligible customers should have their service restored (if previously terminated) upon the utilities' receipt of notification regarding their OHEP eligibility status, and any termination fees and disconnection fees should be waived.

Finally, the Commission should order the utilities to place messaging on utility bills, in a prominent location on the utilities' websites, in any prerecorded utility phone system messages, and in online bill payment portals advising customers that they may be eligible for OHEP assistance and how they can apply. Messaging should advise

customers of the Commission's temporary termination moratorium, the reason for it, the anticipated time frame that it will end after funds are disbursed to OHEP, and the fact that customer balances will continue to accrue during the moratorium. OPC and Commission staff should have an opportunity to review and sign off on all such messaging. These emergency measures are within the Commission's authority, have precedent, and are warranted in light of the federal government's failure to protect limited-income utility customers.

Respectfully submitted,

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Summary of Monthly Normals
1991-2020

Generated on 10/24/2025

Current Location: Elev: 156 ft. Lat: 39.1667° N Lon: 76.6833° W
Station: BALTIMORE WASH INTL AP, MD US USW00093721

Temperature (°F)																						
Mean							Cooling Degree Days						Heating Degree Days				Mean Number of Days					
							Base (above)						Base (above)									
Month	Daily Max	Daily Min	Mean	Long Term Max Std Dev	Long Term Min Std Dev	Long Term Avg Std Dev	55	57	60	65	70	72	55	57	60	65	Max >= 100	Max >= 90	Max >= 50	Max <= 32	Min <= 32	Min <= 0
01	43.2	25.4	34.3	4.5	4.1	4.2	2.1	1.0	0.2	0.0	0.0	0.0	643.6	704.6	796.8	951.4	0.0	0.0	8.1	5.5	24.0	0.1
02	46.4	26.9	36.6	5.0	4.0	4.4	2.9	1.6	0.4	0.0	0.0	0.0	516.6	571.3	654.1	793.6	0.0	0.0	10.2	2.8	21.0	0.0
03	54.8	33.9	44.3	4.2	3.4	3.7	21.4	14.2	7.1	1.8	0.3	0.1	351.5	406.3	492.2	641.9	0.0	0.0	19.6	0.6	13.9	0.0
04	66.5	43.6	55.0	2.6	2.4	2.3	105.5	79.5	49.8	19.0	5.3	3.0	104.0	138.0	198.3	317.6	0.0	0.4	28.2	0.0	2.4	0.0
05	75.5	53.3	64.4	3.6	3.7	3.4	301.4	248.7	178.7	90.2	35.7	22.0	10.0	19.3	42.2	108.8	0.0	2.1	31.0	0.0	0.0	0.0
06	84.4	62.6	73.5	2.2	2.0	1.9	555.2	495.6	407.1	266.0	143.9	104.3	0.2	0.6	2.2	11.2	0.2	6.7	30.0	0.0	0.0	0.0
07	88.8	67.7	78.3	2.9	2.3	2.4	720.6	658.6	565.6	410.6	258.1	201.4	0.0	0.0	0.0	0.0	0.9	13.4	31.0	0.0	0.0	0.0
08	86.5	65.8	76.2	2.3	2.4	2.1	655.6	593.6	500.6	346.0	198.5	145.7	0.0	0.0	0.0	0.5	0.2	8.2	31.0	0.0	0.0	0.0
09	79.7	58.8	69.2	2.6	2.4	2.1	429.2	371.1	287.2	163.0	71.6	46.5	1.8	3.7	9.8	35.7	0.0	2.8	30.0	0.0	0.0	0.0
10	68.3	46.5	57.4	2.6	2.7	2.3	139.5	105.1	64.6	24.1	6.9	3.8	65.0	92.6	145.2	259.7	0.0	0.2	30.5	0.0	1.0	0.0
11	57.3	36.5	46.9	3.9	2.9	3.2	23.6	14.7	5.9	0.9	0.1	0.0	266.5	317.7	398.9	543.9	0.0	0.0	23.1	0.0	10.4	0.0
12	47.5	29.6	38.6	4.1	3.4	3.7	5.2	3.1	1.1	0.1	0.0	0.0	515.1	575.0	666.0	819.9	0.0	0.0	12.4	1.8	20.6	0.0
Summary	66.6	45.9	56.2	3.4	3.0	3.0	2962	2587	2068	1322	720	527	2474	2829	3406	4484	1.3	33.8	285.1	10.7	93.3	0.1

Empty or blank cells indicate data is missing or insufficient occurrences to compute value