



PRESS RELEASE

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New Report Correlates Campaign Contributions to \$800 Electric Bill Hikes

Annapolis, MD—Three watchdog groups today released a new report correlating campaign contributions by electric utility companies, the 1999 vote to deregulate the electric industry, and the failure of the General Assembly since then to re-regulate. Maryland ratepayers are just now feeling the effect of deregulation.

“Electricity deregulation is the worst policy disaster in Maryland in recent history,” said Sean Dobson, executive director of Progressive Maryland Education Fund. “And with over \$1 million flooding campaign coffers from the electric monopolies, Marylanders are concerned.”

Constellation Energy/Baltimore Gas & Electric have seen windfall profits over the past year due to the dramatic increase in energy costs brought on by the deregulation legislation. At the same time, Constellation energy has given over \$400,000 to candidates running for legislative and statewide seats in Maryland.

“Under our pay-to-play political system, voters are concerned about the access and influence campaign contributions may buy,” said Ryan O'Donnell, executive director of Common Cause Maryland. “Electricity deregulation is a prime example of those with the big pocket books winning out.”

The report's key findings include:

- * A majority of Maryland residents will soon be paying nearly 85 percent more for energy today than they were before deregulation in 1999, representing a rate hike of over \$700 for those households and a windfall of \$1.15 billion for Constellation/BG&E
- * Maryland electric utility interests have donated over \$1 million to candidates and their political action committees since 1998.
- * 93% of the campaign money given by electric utilities to General Assembly candidates since 1998 went to lawmakers who voted in favor of deregulation.

Legislators in Maryland have the chance this session to prove they are putting voters ahead of campaign donors by passing Clean Elections, or full public financing of elections. Modeled on successful systems in place in seven state and two cities, Clean Elections allows candidates to receive a public grant to run their campaign after showing

broad community support by collecting a set number of small donations and forgoing all private fundraising.

Candidates are free to spend all of their time talking with voters and zero time dialing for dollars or attending fancy fundraising galas.

“With a Clean Elections system, Marylanders can be assured that their lawmakers in Annapolis are working for them, and not their campaign contributors,” said Dobson.

The new report was release by Progressive Maryland Education Fund, Common Cause Maryland, and Public Campaign. The full report is available online at www.publiccampaign.org/maryland.