

SB685 ADVOCATE PANEL SLIDES

FEBRUARY 25TH 2020
SENATE FINANCE HEARING

Alarming Energy Supplier Price Trends at Low-Income Energy Help Center

By the Numbers

Cares clients interviewed: 40

- Average percent electricity rate premium to BGE: 51
- Average percent natural gas rate premium to BGE: 78

May & June clients assisted at CARES: 127

- Estimated percent on third-party electricity: 55
- Percent MD homes on third-party electricity: 20

BGE "deep dive" supplier analyses: 9

- Average overpayment to supplier: \$479
- Average energy assistance payments*: \$1,421
- Percent assistance to third-party overpayment: 34

SB 685 Electricity and Gas - Energy Suppliers – Assisted
Customers
Senate Finance Committee
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What other states have found:

- Signs of targeting the poor: A higher percentage of low-income households were signed up to buy competitive supply and the rates were often higher than other non-poor shoppers.
- Higher prices diminish the value of the energy assistance paid for by other ratepayers and taxpayers.
- Returning all hardship customers to standard service offers significant cost savings benefits to the state.

What Other States Have Done to Protect Low-Income Consumers, Ratepayers and Taxpayers

- **Connecticut:** *Prohibits electric third-party suppliers from serving hardship customers.*
- **Illinois:** *Limits the types of competitive supply contracts to low-income customers to plans that guarantee electric and gas supply less than the amount charged by the electric and gas utility.*
- **New York:** *Prohibits energy suppliers from contracting with low-income energy assistance customers.*
- **Pennsylvania:** *Limits the type of competitive supply available to low-income energy assistance customers of PPL to plans that guarantee a 7% discount off of the price to compare.*

SB 685

- SB 685 ensures low-income assistance is not eroded by inflated prices.
- SB 685 protects low-income customer energy affordability and safeguards ratepayer and taxpayer low-income funds.
- NCLC supports SB 685.

275,000 Households Enrolled with “Other 48 suppliers”
12% Have **Not Benefited from Choice on average**

