

BRIAN E. FROSH
Attorney General

ELIZABETH F. HARRIS
Chief Deputy Attorney General

CAROLYN QUATROCKI
Deputy Attorney General



WILLIAM D. GRUHN
Chief
Consumer Protection Division

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Writer's Direct Dial No.

410-576-7942
Fax: 410-576-7040

February 5, 2020

To: The Honorable Dereck E. Davis
Chair, Economic Matters Committee

From: Karen S. Straughn
Consumer Protection Division

Re: House Bill 260 – Residential Electricity and Gas Supply Billing Information - Reports
(SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 260 submitted by Delegate Dereck E. Davis. This bill mandates that residential gas companies, electric companies and third party suppliers report billing information on their supply to low income and non-low income customers.

The purpose of these monthly reports is to permit analysis of the costs and savings, if any, by each third party supplier. By doing so, the impact of deregulation can be studied and evaluated for its effectiveness by supplier. The Division has received complaints from consumers who were promised that retail energy suppliers would be able to lower their rates but that their rates actually turned out to be higher than Standard Offer Service.

In addition, studies by the Maryland Office of People's Counsel suggest that low income consumers pay approximately **\$54.9 million** more for electricity and gas through third party suppliers than if they had purchased energy from their utility default service. The reports required by HB 260 will help consumers determine which suppliers are charging more and will help them make more informed choices.

Moreover, the bill requires an overview report to be completed by the Commission and published on the website. Consumers will then be able to review the results and determine the potential savings or added expenses, if any, by each supplier.

For these reasons, we ask that the Economic Matters Committee return a favorable report on this bill.

cc: The Honorable Dereck E. Davis
Members, Environment and Transportation Committee

200 Saint Paul Place ❖ Baltimore, Maryland 21202-2021

Main Office (410) 576-6300 ❖ Main Office Toll Free (888) 743-0023

Consumer Complaints and Inquiries (410) 528-8662 ❖ Health Advocacy Unit/Billing Complaints (410) 528-1840

Health Advocacy Unit Toll Free (877) 261-8807 ❖ Home Builders Division Toll Free (877) 259-4525 ❖ Telephone for Deaf (410) 576-6372

www.marylandattorneygeneral.gov



