



**STATEMENT BY
THE GREATER BETHESDA CHAMBER OF COMMERCE
REGARDING
HB561-ELECTRIC INDUSTRY – COMMUNITY CHOICE ENERGY
HOUSE ECONOMIC MATTERS COMMITTEE
FEBRUARY 13, 2020
POSITION: UNFAVORABLE REPORT**

On behalf of our 550-member businesses and more than 45,000 employees in Montgomery County, this statement is in **Opposition to HB561 – Electric Industry – Community Choice Energy**.

This Community Choice Energy legislation authorizes Maryland counties and municipalities to individually or jointly pass local ordinances to form a Community Choice Aggregator (CCA), beginning on October 1, 2021. A CCA would be allowed to procure electricity as well as own generation and storage. House Bill 561 requires a local government that seeks to create a CCA to send a single notice to residential and small commercial electricity customers. If a residential consumer or business fails to respond to that notice within 30 days, the Community Choice Aggregator automatically enrolls that customer into its program. If an auto-enrolled customer wishes to leave the program after 180 days, the customer must pay an exit fee of an indeterminate amount.

The bill also allows the Community Choice Aggregator access to our members' data without receiving affirmative consent from the member. This concept is inconsistent with consumer protections being implemented in jurisdictions like California and discussed in others like Maryland, following the Equifax and Facebook data breaches.

The Public Service Commission does not regulate rates charged by electricity suppliers or Community Choice Aggregators. HB561 allows counties and municipalities to mandate customers to utilize the electricity supplier chosen by the county or municipality, even if the rates are higher than the Standard Offer Service by the Public Service Commission. This fundamentally limits the ability of our members to have an affirmative voice in whether they participate in the aggregation or buy their energy needs from a different supplier. And finally, to the extent the legislation increases the costs of energy supply, it will have a negative impact on the economic competitiveness of Maryland's small businesses. Instead of enabling county and local governments to go into the energy supply business, we would support "community choice" by enabling customers to have a choice of their energy supplier when they first sign up for their electricity.

Maryland Counties and municipalities need to focus on the business of governing – not become utility suppliers and compete with small business.

For these reasons, The Greater Bethesda Chamber of Commerce respectfully requests that you give House Bill 561 an **Unfavorable Report**.