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STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL

WRITER'S DIRECT DIAL NO.
410-576-6584

February 13, 2020

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

From: Hannibal G. Williams II Kemerer, Legislative Director, Office of the Attorney General

Re: HB 561 Electric Industry – Community Choice Energy (Support)

The Office of Attorney General urges a favorable report on House Bill 561. The legislation permits a county or municipal corporation, or a group thereof, to serve as an electricity aggregator for the purpose of negotiating the purchase price of electric generation services from a Public Service Commission licensed electricity supplier. Beginning on October 1, 2021, a county or municipal corporation—or group of counties or municipal corporations—would be able to form or join a community choice aggregator and utilize its market power to obtain the best electricity prices for residential and small commercial customers.

We believe that House Bill 561 is a thoughtful and pro-consumer bill. If enacted, the bill would require any community choice aggregator electricity supplier to provide written notice to all residential and small commercial electric customers of (1) the identity of the electricity supplier; (2) the terms and conditions of service; (3) the rates, charges, and fees for service under the community choice aggregator; (4) a comparison of the new rates and the rates under the current standard offer of service; (5) how to access the standard offer service available from an electric company; and (6) the total renewable component to be supplied through the community choice aggregator. See proposed Public Utilities Article § 7-510.3(E)(2)(I)-(IV). The bill would allow a consumer to opt out if, after receiving the written notice, they determine that they do not want to participate. These and other aspects of the bill commend its passage and enactment into law.

For all the foregoing reasons, the Office of Attorney General urges a favorable report on House Bill 561.

cc: Members of the Economic Matters Committee