



February 13, 2020

**House Bill 561**

**Electric Industry - Community Choice Energy**

**House Economic Matters Committee**

**Position: FAVORABLE**

House Bill 561 enables local governments to create and benefit from Community Choice Energy (CCE). With CCE, consumers will be able to negotiate contracts that protect themselves and the environment while getting lower electricity rates. A local government can choose to form a corporation which allows the county, municipality, or group of counties/municipalities to purchase electricity on behalf of all consumers and businesses within its jurisdiction.

Through Community Choice, local governments can negotiate electricity rates, the source of energy generation, and other key decisions with energy utilities on behalf of consumers and businesses. Simple economics dictates that large buyers of electricity will get the best rates. Anne Arundel County would like the ability to take advantage of this to benefit our constituents. Community Choice is entirely voluntary. Counties and municipalities will get to decide if they want to form a corporation and if one is created, residents or businesses who do not wish to participate can opt-out.

At present, nine other states have authorized local governments to utilize Community Choice Energy, including Virginia which passed a bill in 2018 and New Hampshire which passed a bill last year. Five more states, including Maryland, have legislation pending. Maryland does not yet provide the choice for this type of local control - but we believe they should.

By authorizing localities to utilize Community Choice Energy, Maryland will be giving its citizens the power to direct the purchase of their electricity to achieve both lower rates and a more rapid transition to renewable electricity.

**I urge a FAVORABLE report on HB 561.**

A handwritten signature in blue ink, appearing to read "Stuart Pittman".

Stuart Pittman  
County Executive