



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 28, 2020

Committee: House Economic Matters

Bill: HB 1392 - Renewable Energy Portfolio Standard - Municipal Electric Utilities

Position: Support

Reason for Position:

The Maryland Municipal League supports HB 1392 which caps the annual percentage of the renewable portfolio standard (RPS) that municipalities must achieve each year.

Although there are only five municipal electric utilities in the State, these entities provide a great service to their residents. These entities currently partner in the process of utilizing renewable energy sources by participating in the RPS and this bill would not change that. However, due to their relatively small coverage area and small customer base, prices for renewable energy credits are proportionally very high. Capping the percentage at the levels in the bill would help control costs for municipal electrics but still require them to participate in the RPS. Electric cooperatives, which are generally much larger than municipal electrics, are already exempt from future increases in RPS percentages, so the precedent exists to create an exemption.

For those reasons we therefore respectfully request that the committee provide a favorable report on HB 1392.

FOR MORE INFORMATION CONTACT:

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