



Maryland
Energy
Administration

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, House Economic Matters Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: HB 1224 Electricity and Gas – Energy Suppliers – Assisted Customers
DATE: March 09, 2020

MEA POSITION: Letter of Information

The proposed legislation will bar certain low-to-moderate income (LMI) Maryland energy consumers from participating in Maryland's competitive energy markets. The proposed legislation seeks to accomplish this by prohibiting retail energy suppliers from enrolling Maryland residential energy consumers if the resident has received OHEP energy assistance. Additionally, this bill may incidentally have a chilling effect, reducing OHEP assistance applications by qualified applicants due to the consequential loss of consumer choice.

The decision to create a competitive marketplace for energy in Maryland was not entered into lightly. It required years of effort and collaboration by countless participants over the course of several years. In many ways, these collaborative and inclusive efforts persist today, as the Public Service Commission (PSC) continues to host workgroups to improve the competitive marketplace while enhancing consumer protections.

The proposed legislation could lead to increased burdens upon energy suppliers, the Maryland Department of Human Services, and the PSC by requiring a more in-depth examination of each Maryland resident's competitive electric choice in order to determine if that resident has received any energy assistance within a certain period of time.

The Maryland Energy Administration (MEA) believes that the proposed legislation would limit energy choice in Maryland; specifically by denying LMI Maryland residents of the right to shop for the energy options that work best for them. This could be 100% clean and renewable energy, or simply the lowest possible price.

MEA requests you take this information under advisement when considering how to report on House Bill 1224.