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SB0681 Electricity Suppliers and Gas Suppliers - Consumer Protections
Senate Finance Committee
FAVORABLE
February 25th, 2020

Good Afternoon Chairwoman Kelley and Members of the Senate Finance Committee. My name is Tammy Bresnahan. I am Director of Advocacy for AARP Maryland. As you know, AARP Maryland is one of the largest membership-based organizations in the Free State, encompassing almost 900,000 members. **AARP MD overwhelmingly supports SB0681 Electricity Suppliers and Gas Suppliers - Consumer Protections and we thank Senator Washington** for sponsoring this important legislation.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

SB 68 authorizes the Office of People’s Counsel (OPC) to investigate and request documents from a retail electricity or gas supplier. Unless the Public Service Commission (PSC) determines that a supplier is not required to respond, a supplier must provide written responses and documents to OPC.

The 1999 Electric Choice Act was passed by the General Assembly and signed by then Governor Parris Glendening. It was heavily lobbied by big energy. They lobbied and testified that “Deregulation” would provide economic benefits for **ALL** customer classes. After 20 years, what we know, after an introductory rate what we call a “teaser rate” most energy supplier rates are significantly higher than if a customer stayed with the regulated supplier like BGE, PEPCO or Delmarva.

AARP thinks SB 681 will decrease illegal practice of switching customers without their consent, known as slamming, to another provider without their consent. We’ve seen it happen. We also witnessed dishonest telemarketing to get utility customers to switch suppliers—especially among the most vulnerable.

What AARP knows is that energy suppliers often hire aggressive telemarketers including door-to-door salesmen to recruit new customers with promises of lower rates. What we’ve seen is that after a

brief introductory period, rates become variable and skyrocket — leaving consumers often locked in contracts that can include high cancellation fees buried in the fine print.

For these reasons, we ask the committee for an unfavorable report on SB 681. For questions please contact Tammy Bresnahan at tbresnahan@arp.org or by calling 410-302-8451.