



Finance Committee
SB 685- Support Bill
Fuel Fund of Maryland, Inc.
Cami Caudill, Chief Program Officer

Chairwoman Kelly, Vice-Chair Feldman and Members of the Finance Committee
Finance Committee

February 25, 2020

Dear Chairwoman Kelly, Vice-Chair Feldman, and members of the Committee:

On behalf of the Fuel Fund of Maryland, Inc., I am pleased to support Senate Bill 685, which protects OHEP clients from undue financial harm due to high supplier charges (heat or eat conflicts), and that maximizes efficiency of limited state energy assistance budget, as well as the Fuel Fund's.

The Fuel Fund of Maryland, Inc. aims to be a lifeline for our vulnerable Maryland neighbors struggling with a home utility hardship. We assist by providing navigation through an array of financial, educational, and community resources that empower, engage, and safely connect a household in times of crisis. Aiding clients who are at 200% of the Federal Poverty guideline, or greater, the majority of our clients are also OHEP clients. This year, the Fuel Fund is on target to assist more than 3600 households by protecting or reconnecting their utility.

By definition, our clients struggle to pay their utility bills. The average Fuel Fund client comes to the Fuel Fund with an arrearage between \$1,200-1,300. The main cause of this arrearage build-up is due to bill-cycling, which is the practice of rotating the bills that are paid because they cannot afford all of their bills on a monthly basis. To this end, Fuel Fund clients are at higher risk of overpaying with a third-party supplier. The reason for this is that potential clients are enticed with signing bonuses, such as a \$200 gift card, or wireless speakers. After signing up for such a third-party supplier, once the introductory rate is over, their supply cost can skyrocket to 100% or more higher than the standard offer of service (SOS). The result of this is higher arrearages, and the need for greater financial utility assistance. With limited funds, this means more dollars going out to less families.

Losing electricity is more than losing your lights. Not having electricity affects almost every aspect of one's life. No electricity- no refrigerator/freezer, which means that food goes bad. Many of our clients being on SNAP, they are unable to replace the food as needed. No electricity- no access to heating and cooling. Though many of us think of Winter being the most dangerous time of year without electricity, more people die in Maryland due to heat related causes in the Summer than from the cold in the Winter. No electricity- no access to life-saving medical treatments. Baltimore has one of the highest asthma rates per capita in the country. Not having electricity means that a child that is having a life-threatening asthma attack does not have access to their life-saving nebulizer.

Marylanders overpaid over \$600 Million dollars within four years by joining third-party suppliers. Please join us in protecting our most vulnerable neighbors and the intended purpose of the State Utility Assistance Program by ensuring that households receiving energy assistance grants pay utility standard rates by eliminating energy supplier contracts. I ask for your support for our clients, vulnerable Marylanders, and SB-685: Energy Assistance Protection Act.

Yours Truly,

Cami Caudill

Cami Caudill
Chief Program Officer
Fuel Fund of Maryland