



## Building Caring and Compassionate Communities

### Testimony in favor of HB 397, Electricity and Gas – Energy Suppliers – Supply Offers

#### GEDCO Programs

Ascension Homes  
CARES  
CARES Career Connection  
Epiphany House  
Gallagher Mansion  
Harford House  
Micah House  
Senior Network of North Baltimore  
Stadium Place

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I am the Director of Community Services at GEDCO, a non-profit serving Baltimore City. Our CARES program is a food pantry and emergency financial services center located on York Road in the Govans neighborhood. A big part of what we do is utility bill assistance, to prevent gas and electric turn-offs. We are a partner agency of the Fuel Fund of Maryland and we help people apply for Maryland Energy Assistance and other Office of Home Energy Programs (OHEP) benefits.

Every day we see the gas and electric bills of low income community members who have come for help to prevent their power being turned off. Most of the people we work with have trouble paying their utility bills consistently. For a significant number (30% of those we saw in 2020), the bills are more unaffordable than they should be, because they are paying third party providers who are charging much more than the standard offer service price for gas and electric. These companies often charge double the prices of the utility company.

We have never had someone in this situation say that they sought out the third party electric or gas contract. They were all signed up by sales reps who either came to their door, called them, or had set up tables in a public place offering to beat the utility's prices. The customers don't realize that the introductory rate will change to a variable rate. There is notice that the price is going up, and their bills just get higher.

Not only does this hurt the households struggling to pay the higher bills, it wastes state funds that are supposed to be helping low income bill payers. OHEP benefits are going to the energy suppliers when they could be assisting more households meet their energy needs.

HB 397 offers a simple solution to the problem by requiring any 3<sup>rd</sup> party energy contract for a household that receives OHEP benefits to be equal to or lower cost than the standard offer price for the utility. It will stop vulnerable citizens from being taken advantage of and it will extend the reach of OHEP funds to be able to help more families keep their power on.

Respectfully submitted,

Rachael V. Neill  
Director of Community Services