



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: HB0376 – Renewable Energy Portfolio Standard - Municipal Electric Utilities
DATE: January 12, 2021

MEA POSITION: FAV

Introduction

The proposed legislation adjusts the application of the Renewable Portfolio Standard (RPS) for Maryland's five municipal electric companies.

Under the Clean Energy Jobs Act of 2019, the General Assembly took into account the operational differences between large or specialized energy suppliers and Maryland's electric cooperatives. However, no such recognition was incorporated for the State's municipal electric companies.

This bill recognizes the operational differences between competitive energy suppliers and the municipal electric companies by limiting the application of the RPS. This would represent a significant cost savings to the municipalities that operate electric utilities, with minimal impact on the overall efficacy of the RPS program. This is because these five municipal utilities produce only ~1% of annual State electricity sales.

For these reasons, MEA urges a **favorable report** for HB 376.