



## **HB397 ~ Electricity and Gas - Energy Suppliers - Supply Offers**

Laurel Peltier - Director Energy Supplier Reform Coalition

### **FAVORABLE in Economic Matters**

Dear Chairman Davis, Madame Vice Chair Dumais and members of the Economic Matters Committee:

I'm Laurel Peltier, co-author of the 2018 Abell Report which laid out significant challenges for low-income families on deregulated supply. Since 2014, Maryland families have now paid an extra \$750 million to choose deregulated electricity and gas.

HB397 is a fiscally responsible bill that allows for Retail Choice and would directly and positively help about 30,000 low-income families that are receiving energy assistance on deregulated energy. During the 2020 session, Senate passed this same bill 32-9, yet the “guaranteed savings plan” arrived in ECM just

as the session closed down. Which is unfortunate because during the pandemic, deregulated energy price gouging continued.

Hb397 focuses on energy assistance families — about 7% of Retail customers — because as the new PSC map reveals on page 17 of Public Service Commission report that I uploaded, energy supplier door-to-door sales folks hyper-focus on low-income zip codes. And door-to-door is primarily where most suppliers get new enrollments. From October 2019 to October 2020, 18 Baltimore zip codes had at least 18 to 20 different suppliers selling door-to-door.

I volunteer 4 hours a week at the CARES community center located right in the middle of all this in Baltimore City. We've now analyzed 110 OHEP BGE bills with a supplier. The average very low-income family paid \$650 more per year for third-party supply. The median age of the account holder was 63. This extra \$650 on a utility bill is because while suppliers sell low, they bill high.

Electricity rates were 64% higher than BGE's and gas rates were a whopping 88% more. Even during the pandemic. Though Maryland still does not report the value of wasted OHEP funds, a conservative estimate is about \$15,000,000 per year is going to suppliers, instead of making utility bills more affordable. If

you're curious as to what rates your constituents pay, please visit

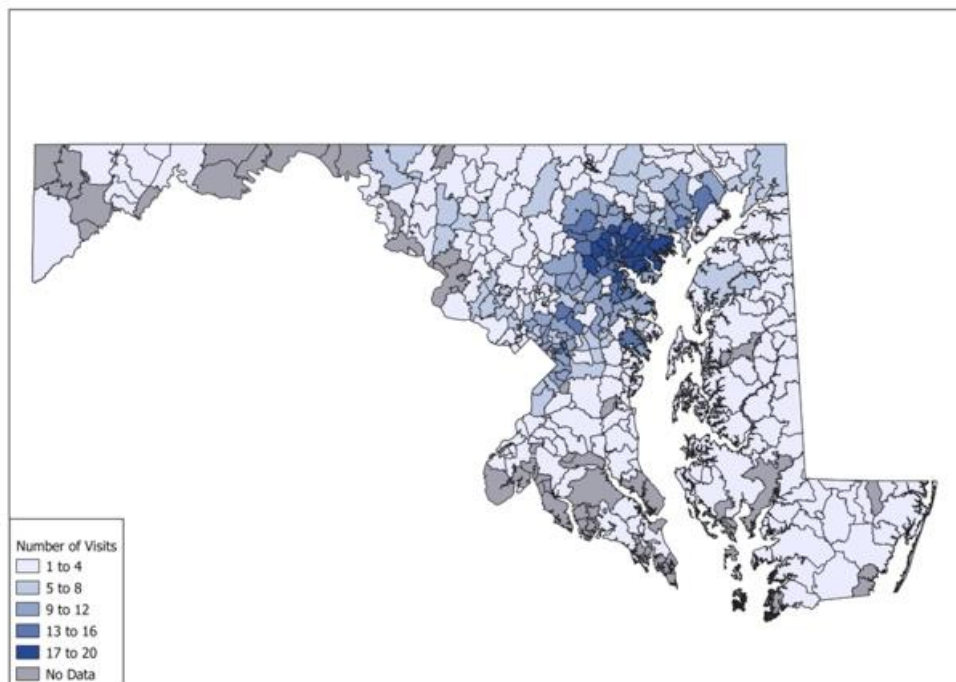
[EnergySupplierHelpDesk.org](https://www.energysupplierhelpdesk.org). I am happy to share all data files with any party.

Thank you, Laurel Peltier

Per the PSC report titled *Energy Supplier Marketing and Pricing*, the map below documents the zip codes and the different number of energy suppliers selling door-to-door from October 2019 to October 2020. This map is found page 17. The report was requested by Sen. McCray.

*"For 18 Baltimore City zip codes, at least 18 different retail energy suppliers reported engaging in door-to-door sales activities at some point during the reporting period. Seven of these zip code areas—21205, 21206, 21207, 21218, 21222, 21224, and 21225—each had at least 20 retail suppliers engaged in these activities. Three Baltimore County zip codes—21204, 21220, and 21221—had 19, 18, and 20 suppliers, respectively, reporting door-to-door activities during the reporting period.*

**Figure 4 – Visual Mapping of Retail Energy Supplier Door-to-Door Sales Activity by Zip Code**



\* Data sourced from Maryland GIS Data Catalog, IRS Census Data, and the Consumer Affairs Division of the Maryland Public Service Commission.

