



THE COMMISSIONERS OF THURMONT

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**Written Testimony from
John A. Kinnaird
House Bill 376
Renewable Energy Portfolio Standard – Municipal Electric Utilities**

Position: Support

Dear Chairman Davis and Members of the House Economic Matters Committee,

My name is John A. Kinnaird, the Mayor of Thurmont, and I wish to offer the support of the Town of Thurmont and our residents for municipal RPS legislation through House Bill 376 in the current 2021 session.

The Town of Thurmont has a long history of providing electric service to our residents stretching back over a hundred years. The Thurmont Municipal Light Company was established by a group of concerned businessmen intent on bringing the wonder of the modern age, electricity, to our community. The initial service was powered by a purpose-built hydro dam that turned generator sets in our generating station. The system was so successful that over a relatively short period of time we began purchasing power on the wholesale market and we continue to do so today.

I take great pride in telling you that the Thurmont Municipal Light Company offers our residents one of the lowest electric rates in the State of Maryland and our service is second to none. Thurmont residents are fortunate to have at their disposal an electric crew that works hard to resolve service outages, outages that seldom last more than one hour. Today in cooperation with the cities of Hagerstown and Williamsport, the Thurmont Municipal Light Company continues to negotiate on the wholesale market to provide the lowest possible electric rates for our residents.

I would like to point out that I have not used the word customer while talking about the Thurmont Municipal Light Company. We do not service customers, we service our residents. As a municipal electric utility, we answer to our residents and I am speaking before you today on their behalf.

The Town of Thurmont supports House Bill 376 because it will significantly reduce the portion of wholesale power supply costs for its municipal electric utility which are required to be purchased from solar renewable energy resources as a part of the state-wide Renewable Portfolio Standard (RPS). More specifically, House Bill 376 will return the renewable requirements to the levels in place in 2019 prior to the passing of the Maryland's Clean Energy Jobs Act.

In Maryland's Clean Energy Jobs Act from 2019, the state doubled the amount of renewable resources electric utilities are required to purchase from 25% up to 50% for Tier 1 renewable resources by 2030. Additionally, the portion of those Tier 1 renewable resources that must come from solar was increased from 2.5% up to 14.5% by 2028 (which is an increase of 480%). House Bill 376 will return the total Tier 1 renewable requirement for

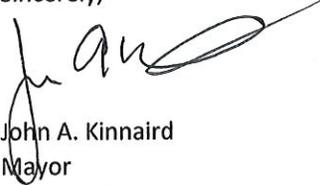
municipal electric utilities to 20.4% with a solar requirement of 1.95%. As mentioned before, these values were the requirements in place in 2019.

Although an exact financial impact to Thurmont's costs (and residents) cannot be calculated due to the inability to forecast future market commodity pricing for renewable energy, the estimated benefit will be a reduction of up to 10% in wholesale power supply costs that will result in hundreds of thousands of dollars per year that will be passed through to the benefit of our residents.

Please contact me at 301-606-9458 if you need any further information regarding our support of House Bill 376.

We urge a favorable report.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Kinnaird", written over a printed name and title.

John A. Kinnaird
Mayor
Town of Thurmont