



THE EPISCOPAL DIOCESE OF MARYLAND

SUPPORT

SB 595

Residential Electricity and Gas Supply Billing Information - Reports

Finance Committee

2/23/2021

Good afternoon Chair Kelley, Vice Chair Feldman, and members of the Finance Committee. My name is Rev. Linda Boyd, and I am representing the Maryland Episcopal Diocese. The Diocese represents 108 parishes and over 45,000 parishioners. The Maryland Episcopal Diocese supports SB 595.

This Bill requires electric companies, gas companies, and specified electricity and gas suppliers to submit monthly reports to the Public Service Commission (PSC) on the supply of electricity and gas to their residential customers. Data shows that third-party energy suppliers serving low-income families in Maryland on state energy assistance charge much higher electric and natural gas rates than the regulated utility rates. This over-charge is often hidden by the third-party energy suppliers using a low introductory rate. However, data has shown that most of these energy suppliers increase their rates within the first 12 months to a rate in excess of rates charged by regulated utilities.

This results in these low-income households paying approximately \$340 million dollars more to third party energy electrical suppliers than they would have to regulated electrical suppliers for the period 2014 to 2018. For natural gas supply, the figure is approximately \$225 million dollars more. These households receive state energy assistance paid by the state. Because of the excess billing, the customer and state are both being victimized. State energy assistance that flowed to third-party suppliers was approximately \$10 million dollars for the period 2014-2018.

Third party electrical and gas suppliers are targeting people on energy assistance and charging them a variable rate that is many times more than that charged by BG&E or Pepco. Many of our parishioners are recipients of energy assistance and are being over-charged. This Bill will require reporting of amounts charged to low-income households on state energy assistance. We need this reporting requirement to shine the light of day on this egregious practice of over-charging these households and to prevent further victimization of households and the state.

We respectfully ask for your support of bill SB0595.