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February 19, 2021

Chair Delores G. Kelley Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: UNFAVORABLE – SB 595 – Residential Electricity and Gas Supply Billing Information - Reports

Dear Chair Kelley and Committee Members:

The Maryland Public Service Commission opposes SB 595 – Residential Electricity and Gas Supply Billing Information - Reports. While this legislation is well intended, the Commission does not have authority from the Maryland General Assembly to regulate retail supplier offerings or pricing. Therefore, the objective of the data collection and reporting is unclear.

In addition, it is questionable whether the Commission will be able to comply with the requirements of the legislation. Each monthly report to the Commission that will form the basis of our analysis and report to the General Assembly must contain, broken down by electricity or gas supplier and categorized by income, the total (1) kilowatt-hours or therms billed; (2) dollar amount billed; and (3) number of customers billed. The Commission will need to obtain information possessed by the Department of Human Services Office of Home Energy Programs, as well utilities and certain suppliers.

Currently in Maryland, most suppliers use utility consolidated billing; the utility bills the customer and remits payment to the supplier. Few suppliers use dual billing (when the supplier bills their own charges, and the utility bills only for distribution). Therefore, few if any retail suppliers would be subject to the legislation and reporting requirements. The majority of the reporting requirements would fall on the utilities, which possess information regarding Standard Offer Service that is already publicly available and therefore does not require legislation. It is unknown whether the utilities can provide usage, price, and customer data broken down by retail electricity or gas supplier. In fact, my understanding is that not all utilities will be able to provide retail supplier price information.

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¹ The Commission is currently considering Supplier Consolidated Billing in Rulemaking 70. Hearings will take place on February 22-23, 2021.

The Commission created new gas and electric energy choice websites in 2020, which provide transparency for policymakers and the public about licensed suppliers and all of the details of their current offers, including prices and other terms such as fixed and variable rates, as well as renewable offerings. The Federal Energy Information Agency also publishes supplier pricing data on its website.

Thank you for the Committee's consideration. For the above reasons, I urge the Committee to give the bill an unfavorable report. Please contact Lisa Smith, Director of Legislative Affairs, at 410-336-6288 if you have any questions.

Sincerely,

Jason M. Stanek

Chairman