

**Testimony to the Senate Finance Committee
HB768: Montgomery County - Community Choice Energy - Pilot Program MC 17-21
Position: Favorable**

March 23, 2021

The Honorable Delores Kelley, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Senate Finance Committee

Honorable Chair Kelley and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances financial inclusion and economic justice for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

MCRC is in strong support of HB786.

High utility costs drain working families savings and constrain families' budgets. For low-income families, this is especially true. Low-income households spend 13% of their budgets on energy costs; while very low-income households spend up to 42% of their income on energy. In contrast, middle class households spend 2% of their income on energy.

Community Choice Aggregation creates energy equity. Community Choice allows local governments to purchase energy on behalf of its residents and businesses. Using the collective power of communities, CCA's are often able to negotiate rates that are 15-20 percent lower than retail prices.

In addition, CCA's provide local control which will better reflect the needs and priorities of the community. CCA's often lead to lower prices for energy which will benefit low-income households as well as empower communities to make and control their power. The MC 17-21 program provides for the opportunity for local communities to collectively choose what kind of energy is most appropriate for residents and to negotiate prices that benefit cost-burdened households. This program is good for low-income households, for the environment, and for local governments.

For all these reasons MCRC is proud to support the Community Choice Energy Act. We support HB768 and urge a favorable report.

Best,

Isadora Stern
Economic & Tenants' Rights Organizer
Maryland Consumer Rights Coalition