



425 East Baltimore Street

Hagerstown, MD 21740-6105

January 22, 2021

Written Testimony from
The Hagerstown Light Department
Senate Bill 53
Clean Energy Attribute Credits and Procurement

Position: Support

Honorable members of the Senate Finance Committee,

The Hagerstown Light Department offers support for Senate Bill 53, Clean Energy Attribute Credits and Procurement.

All energy delivered is purchased through a full requirements wholesale contract and procuring the quantity of Renewable Energy Credits (REC) needed to comply with the present Renewable Energy Portfolio Standard (RPS) is a function of the wholesale power supplier. Providing electric service to less than 1% of the customers in the State, the cost of these REC's comes at a premium in comparison to the larger utilities, according to the annual report filed with the Commission.

Senate Bill 53 will introduce a competitive market for renewable energy procurement and provide REC's to be purchased by our wholesale supplier at a cost similar to the investor owned utilities. Roughly eighty-five percent of our ratepayers consist of residential electric accounts. By contract, decreases related to the cost of REC's will positively affect the wholesale power rate. Financial savings related to the cost of power purchased is passed directly to the customers.

For the reason of potential rate savings to the citizens of the City of Hagerstown, the Hagerstown Light Department offers support for Senate Bill 53.

Respectfully submitted,

Nathan Fridinger
Electric Operations Manager