

ENERGY SUPPLIER LOW-INCOME ACT SB0031 / HB397

OHEP families would pay same or lower price as utility.

Sponsored by Sen. Washington and Del. Lierman

Pennies matter. When deregulated energy suppliers target Baltimore during a pandemic and charge 2¢ more for each electricity kilowatt hour and **25¢ more** for every therm of natural gas, low-income families wind up paying \$500+ more a year. Many get Turn-Off notices.

Deregulation was supposed to help, not hurt. (Click on data link in pdf)

About 30,000 families on deregulated energy then turn to Office of Home Energy Programs (OHEP) to pay down their utility bills. OHEP was designed to lower family energy costs. Yet when low-income families pay an extra \$500 a year, \$15,000,000 of energy assistance funds are wasted every year. The free grants are siphoned off to supplier profits and don't pay down bills.

The **solution** is simple: Like 4 other states, protect families on deregulated energy who get energy assistance. Ensure their electricity and gas rates meet, or beat, their utility's supply rates. SB0031/HB397 is a fiscally responsible solution that supports Retail Choice and protects our state's energy assistance funds. Retail Choice's benefits are assured to help low-income families.

70% Supplier Enrollments are Door-to-Door





Suppliers sell low, then bill high.

Electric rates over utility: <u>+70%</u>
Gas rates over utility: <u>+80%</u>

When 20% of Maryland families pay <u>2¢</u> more for electricity and 25¢ more for natural gas, it adds up...

\$750 million more since 2014.

- Estimated \$12 to \$15 million wasted from Maryland Office of Home Energy Programs' energy assistance funds every year.
- Today, it's all legal.
- Higher energy prices lead to sky-high bills and turn-offs.
- Uninformed consumers skews to seniors don't know rates & product.
- Suppliers <u>sell low, then bill high</u>. (Click on data link in pdf)
- Door-to-door agents target low-income zip codes in Baltimore City.
- To keep power on, households turn to MD energy assistance.
- Energy assistance grants designed to lower family energy costs go to suppliers.

Energy Supplier Reform Coalition is a growing list of non-profits, congregations and advocates working to educate and help enact common sense guardrails for families choosing deregulated energy





















