



LEGISLATIVE POSITION:

Unfavorable

House Bill 624

Electricity – Standard Offer Service - Renewable Energy

House Economic Matters Committee

Tuesday, February 24, 2022

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

HB 624 would require electric companies to enter long-term (10 to 20 years) contracts for renewable energy credits and electricity generated from Tier 1 renewable sources to meet a portion of the renewable energy portfolio standard (RPS) for those electric companies.

The primary concern of Maryland Chamber members is the potential for Maryland businesses and consumers to pay unnecessarily high energy costs. If the market price for renewable energy were to decrease over the span of the 10-to-20-year contracted rate, consumers would be paying the difference between the long-term contract price and a potentially lower market rate. As more renewable energy sources come online the cost of renewable energy should decrease. Under current economic conditions where businesses are so focused on keeping their operations open, HB 624 could potentially lead to avoidable and unnecessary increased costs.

The Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **HB 624**.