



Committee: Finance

Testimony on: HB818 - Electricity - Community Solar Energy Generation - Consolidated Billing

Organization: MLC Climate Justice Wing

Submitting: Diana Younts, Co-Chair

Position: Favorable

Hearing Date: March 30, 2022

Dear M. Chair and Committee Members:

Thank you for allowing our testimony today in support of HB818. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorably on HB818.

The Problem

This bill fixes a critical problem for low income families who need energy assistance. Currently, because of arcane rules governing utility billings, low income families cannot apply the energy assistance to any electricity they receive from Community Solar and instead of their energy assistance going to paying for their electricity bills, those payments remain stranded with the utility company.

What is Community Solar?

Community solar projects are solar farms to which surrounding community members can subscribe to receive their electricity. This makes solar energy available as an option for families even if they are renters, cannot afford to install solar, or simply do not have a suitable roof for solar. They thus have the effect of increasing the amount of solar energy on the grid.

Community Solar Projects Designed for Low Income Families

Many community solar projects are designed to provide electricity to low income families at 20 - 25% less than the cost of electricity offered by the utility companies.

But low income families who need energy assistance are effectively precluded from taking advantage of these electricity cost savings because of the existing arcane utility billing rules.

The Environmental *Injustice*

This results in a substantial environmental *injustice*. Because energy is a regressive cost,

low-income households in Maryland dedicate 13% of their annual incomes to energy costs and pay 550% more as a percent of income than non low-income households. The majority of these (55%) are Black, Hispanic, or Asian households. Providing low cost solar energy to these families helps to redress this problem. Equitable and just deployment of renewable energy is critical to expanding our clean energy economy and addressing environmental injustice.

And of course, lack of access to community solar means that the state also pays more in providing energy assistance for these families than it otherwise would need to.

What is That Arcane Billing Rule?

Usually, when you receive your monthly utility bill, that is the only utility bill you receive for electricity (and for some Marylanders also for gas), even if you receive your electricity from a third party retail supplier. This is called consolidated billing. However, under current rules, Community Solar cannot be on the same bill as your utility bill. It is a separate bill. *And because State energy assistance is paid directly to the utility company none of it can be applied to community solar.*

A further difficulty – because there is no consolidated billing – is that community solar requires that you have a bank account or a credit card from which payments can be withdrawn. Many low income families have neither and even if they did, they risk being overdrawn on their accounts when payments are automatically withdrawn before they have the money to cover those costs.

HB818 Fixes the Problem

HB818 provides a straightforward fix. It allows Community Solar electricity charges to be consolidated onto your utility bill. Thus, energy assistance payments for low income families can also cover Community Solar. This will result in lower energy costs for low income families.

For these reasons, we urge a favorable report for HB818.

MLC Climate Justice Wing:

Assateague Coastal Trust
Maryland Legislative Coalition
MD Campaign for Environmental Human Rights
Chesapeake Climate Action Network
WISE
Frack Free Frostburg

Mountain Maryland Movement
Clean Water Action
Howard County Indivisible
Howard County Sierra Club
Columbia Association Climate Change and Sustainability Advisory Committee
HoCo Climate Action

CHEER
Climate XChange - Maryland
Mid-Atlantic Field Representative/
National Parks Conservation Association
350 Montgomery County
Glen Echo Heights Mobilization
The Climate Mobilization Montgomery
County
Montgomery County Faith Alliance for
Climate Solutions
Montgomery Countryside Alliance
Takoma Park Mobilization Environment
Committee
Audubon Naturalist Society
Cedar Lane Unitarian Universalist Church
Environmental Justice Ministry
Coalition For Smarter Growth
DoTheMostGood Montgomery County
MCPS Clean Energy Campaign
MoCo DCC
Potomac Conservancy
Casa de Maryland
Nuclear Information & Resource Service
Clean Air Prince Georges
Laurel Resist
Greenbelt Climate Action Network
Maryland League of Conservation Voters
Unitarian Universalist Legislative
Ministry of Maryland
Concerned Citizens Against Industrial CAFOs
Wicomico NAACP
Chesapeake Physicians for Social
Responsibility
Chispa MD
Climate Law & Policy Project
Maryland Poor People's Campaign
Labor Network for Sustainability
The Nature Conservancy
Clean Air Prince Georges

350 Baltimore
Maryland Environmental Health Network
Climate Stewards of Greater Annapolis
Talbot Rising
Adat Shalom Climate Action
Mid-Atlantic Earth Holders
Climate Parents of Prince Georges
Echotopia
Maryland NAACP State Conference,
Environmental Justice Committee