

February 23, 2023

To: Chair Wilson and Members of the House Economic Matters Committee

Subject: HB 1214 - Residential Retail Electricity - Green Power - Renewable Energy Credits

and Marketing Claims

Position: Oppose

Dear Chair Wilson and Members of the Committee,

WGL Energy opposes HB 1214.

For more than 25 years, WGL Energy has been providing a full spectrum of competitive energy solutions including electricity, natural gas, renewable energy, and environmentally friendly energy technology solutions for residential, government, commercial, industrial, and small business customers throughout Maryland. We believe this bill would reduce the energy supply industry's overall ability to continue providing a variety of market-based energy solutions to customers in Maryland.

WGL Energy is committed to helping develop Maryland's renewable energy marketplace. We believe the competitive market that has driven the development of renewable resources has given consumers the ability to buy a range of desired renewable products. Ensuring Marylander's know where these products originate is critical to building trust and confidence among our customers.

Renewable energy claims are already regulated by both the Code of Maryland Regulations implemented by the Public Service Commission, as well as the Federal Trade Commission under its Part 260 Guides for the Use of Environmental Marketing Claims. HB 1214 will create unnecessary confusion for consumers by adding a new definition of Green Power – in addition to the existing definition of "renewable energy" – as well as a new marketing disclosure that is confusing. In addition, the bill would restrict the kinds of renewable energy products available to Maryland consumers by restricting the kinds of Renewable Energy Credits (RECs) that could be used to support marketing claims. Consumers would no longer be able to choose a national wind or solar product, and instead would only have the option to purchase PJM based products.

As Maryland continues to push aggressively for a decarbonized sustainable energy future, and when we need to encourage customers to make affirmative choices to go green and give them affordable ways to do so, it makes no sense to drive renewable energy options out of the market and to make it more expensive for Maryland consumers to go green.

For these reasons, we urge the Committee for an unfavorable report on HB1214.