

Committee: Economic Matters
Testimony on: HB1214 – Residential Retail Electricity – Green Power-
Renewable Energy Credits and Marketing Claims
Organization: Individual
Submitting: Deborah Cohn
Position: Favorable
Hearing Date: February 23, 2023

Dear Chair and Committee Members:

Thank you for allowing my testimony today in support of a favorable report on HB1214, a bill that would require retail electricity suppliers who market the sale of “green” energy to residential customers to purchase RECs exceeding those required under Maryland’s renewable energy portfolio standards (i.e., incremental green energy) and disclose to potential customers the source of the energy being purchased

I live in Bethesda, Maryland. My family is motivated to contribute personally, in our daily lives, to reduce greenhouse gases and ameliorate the impacts of climate change for ourselves and our children and grandchildren.

Our residence is not suitable for rooftop solar. The house is not oriented advantageously and we have too many trees shading our roof. So several years ago we looked into purchasing some form of renewable energy. We were willing to pay a bit more for renewable energy than what our local utility provided. We received several letters marketing wind energy at a reasonable price. Based on the contents of these letters, I thought I would be contributing to the growth of renewable energy supply in the PJM grid, the actual source of the energy we would receive.

Fortunately, before we subscribed to one of those wind energy providers, a member of my faith congregation explained renewable energy credits to me. She told me about the PJM grid. She explained why it was preferable to increase the total supply of renewable energy in that grid rather than purchase retail RECs from a distant, existing source. It’s the difference between (i) purchasing a new offer of securities in a company and thus investing new money in a business and (ii) merely seeking a good financial return on the resale of existing stock on the stock market. Only in the first situation would I be adding to the total supply of renewables in the grid from which I receive electricity. Only in the first situation would I achieve my goal of helping to clean up my local electricity supply. So I subscribed to community solar, which saved me money as well. I am so glad I did. And I’ve encouraged friends and family to join me.

But if my friend hadn’t explained all of this to me, I would have purchased the wind energy RECs. Certainly, nothing in the marketing letters about wind energy explained

any of this to me. The marketing letter made me think I would be supporting a green energy industry. And I continue to receive frequent marketing letters from retailers of wind RECs to this day. The marketing campaign is really quite aggressive.

HB1214 is a consumer protection bill. It will help protect other consumers who intend to increase the supply of green energy in our local grid from merely purchasing wind RECs generated so far away that the electricity represented never enters the PJM grid. **I urge a favorable report on HB1214. Consumers deserve full disclosure about what they are buying.**