



**HOUSE BILL 1214 – RESIDENTIAL ELECTRICITY – GREEN POWER – RENEWABLE ENERGY  
CREDITS AND MARKETING CLAIMS**

**UNFAVORABLE**

**HOUSE ECONOMIC MATTERS COMMITTEE  
February 23, 2023**

NRG Energy, Inc. (“NRG”) submits these comments in **opposition** to **HB 1214 – Residential Electricity – Green Power – Renewable Energy Credits and Marketing Claims**.

NRG is the leading integrated energy and home services company powered by its customer-focused strategy, strong balance sheet, and comprehensive sustainability framework. A Fortune 200 company, NRG brings the power of energy to millions of North American customers. Our family of brands help people, organizations and businesses achieve their goals by leveraging decades of market expertise to deliver tailored solutions. Our retail brands serve approximately six million customers across North America, including here in Maryland, where NRG owns seven companies that are licensed by the Public Service Commission to serve retail customers.

The NRG retail companies are committed to developing the renewable energy market and in fact, it is the competitive market that has driven the development of renewable resources and enabled consumers to choose to go green with their energy supply. One of NRG’s retail companies, Green Mountain Energy Company, pioneered renewable energy for mass market customers. GME was the first retail supplier in the nation to offer green power products to residential customers and has served renewable products to mass market customers longer than any other retail supplier. Demand for renewable energy by Green Mountain customers led to the first utility scale wind power project in the Eastern U.S. – right here in PJM – the Green Mountain Energy Wind Farm in Garrett PA in 2000. We like to think we started the renewables revolution, and we are certainly committed to seeing the adoption of renewable resources grow.

How renewable energy is marketed and sold to consumers is of vital importance to ensuring consumer trust and confidence in the products they buy. Consumers need to know the difference between locally sourced resources versus nationally sourced resources. Renewable energy claims are 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.<sup>1</sup>

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<sup>1</sup> See <https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-issues-revised-green-guides/greenguides.pdf>; the FTC is currently reviewing and taking comments on its guidelines.

NRG opposes HB 1214 because it 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. This limitation not only denies consumers the opportunity to choose nationally sourced renewable energy (potentially opening the door for legal challenge on commerce clause grounds), it also significantly increases the cost to residential consumers who want to make the switch to renewable energy plans that go above and beyond what is required under the state’s renewable portfolio standards. Moreover, the bill has no provision to protect customers’ existing national renewable energy contracts.

Green Mountain Energy offers consumers the opportunity to purchase 100% national wind or solar energy or 100% local wind energy. These products are clearly explained so that consumers can make informed decisions. The restrictions imposed by HB 1214 could cause the typical Green Mountain Energy Maryland customer using 750 kilowatt hours per month who chooses a 100% renewable energy plan to see their monthly bill increase by more than \$10.

At a time when Maryland is making a strong push to decarbonize and work toward a 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.

Thank you for the opportunity to share our perspective on HB 1214 and for the above reasons NRG urges the Committee to amend the bill and give it an **unfavorable** report.

#### **NRG Energy, Inc. Contact Information**

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