

**HB1214\_CPSR\_FAV\_EEE\_30March2023.pdf**

Uploaded by: Alfred Bartlett, MD

Position: FAV



**Committee: Education, Energy, and the Environment**

**Testimony on: HB1214 “Residential Retail Electricity – Green Power – Renewable Energy Credits and Marketing Claims”**

**Position: Support**

**Hearing Date: March 30, 2023**

The Chesapeake Chapter of Physicians for Social Responsibility (CPSR) submits this testimony in support of HB1214, which requires that energy programs marketed to residential customers shall include specific language notifying the customer that they are purchasing standard electricity with the addition of Renewable Energy Credits (RECs) from sources designated as “renewable” rather than actual electricity produced by those sources, and also require the energy suppliers providing those RECs report the source of those RECs.

We find this proposal to be an important step in consumer protection – marketing of “green power” that is effectively only the same power provided under utility Standard Offer Service (SOS) with often substantial additional charges for “greenness” (actually, the purchase of RECs, not electrons) is increasingly pervasive. For 3<sup>rd</sup> party electricity suppliers, these RECs can be bought anywhere on the open market – they do not count against the requirements of Maryland’s Renewable Portfolio Standard (RPS) and are not subject to the same restrictions. On the open market, “Voluntary” RECs (those not meeting compliance for a state’s RPS) like those purchased by 3<sup>rd</sup> party suppliers can be extremely cheap - for example, at one time Texas wind RECs were valued at about \$1.00 per megawatt-hour. These are “unbundled RECs” – they are sold separately from the actual electricity generated, which is generally sold locally because transmission cost rises the further electrons must travel – and they create additional income for the generating source owner. While the RECs may be cheap, the rates charged to residential customers for this “green” electricity are generally well above utility SOS rates – even though an average household uses about 1 megawatt-hour of electricity per month (the equivalent of one REC’s worth).

Consumer protection requires that this misrepresentation of electricity sold as “green” needs to be corrected, as HB1214 will do. This misrepresentation also has substantial implications for Maryland’s achievement of its ambitious targets for real clean renewable energy: the fact that this misrepresented “green” electricity can absorb a substantial part of the demand from the many consumers who would otherwise be willing to sign up for real clean energy, like community solar (which is produced in-state and priced below SOS), will make the financing, marketing, and development of such real clean renewable energy more difficult.

I can also offer a personal perspective to complement these policy-level considerations. In 2012, as a health professional still working full time, I was offered “100 clean energy from wind” by a company named “Ethical Electric.” With no understanding of the electricity sector – certainly not the existence of RECs – I signed up and began paying a substantial premium for electricity. Since I was, like many in Maryland, aware of the dangers of climate change and the need to move to clean power, I felt that this premium was one contribution to that clean energy transition. Around the time I retired in 2014, Ethical Electric was bought by another electricity supplier; my account was simply switched over, I

*Physicians for Social Responsibility is a national organization of doctors and other health professionals dedicated to averting two overarching threats to human health and well-being: nuclear weapons and climate change. PSR is a component of International Physicians for the Prevention of Nuclear War, which received the 1985 Nobel Peace Prize.*

continued getting reminders about how my electricity was 100% clean, and continued to pay what I thought was a premium to get clean electricity. In fact, my utility bills were on auto-pay, and I rarely paid attention to them, assuming that I was supporting clean energy and fighting climate change.

In 2015 I began working on energy aspects of climate change, initially focused on reducing health-harming pollution from coal-fired power plants and the development of Community Solar. But I still knew nothing about unbundled RECs or non-utility suppliers in the context of Maryland's deregulated energy sector. I began to understand about RECs when I started working to support the Clean Energy Jobs Act; but it was only when I was signing up for Community Solar and the person at the Subscriber Organization asked "Why are you paying so much for electricity?" that I became aware that I'd been put on a "variable rate plan" and was paying at least 50 percent above SOS rates. I renegotiated the rate with the supplier (having to do it each year to avoid going back on a variable rate), but stayed with the "green energy," thinking it was cleaner than SOS. In the end, however, I figured out that I was essentially buying the SOS generation source mix and paying a lot extra for RECs, and so reverted to SOS for the power I don't get from Community Solar.

The point of the story is either that I'm dumb or that, even with a lot of exposure to clean and renewable energy issues, for a long time it wasn't clear to me that I wasn't buying cleaner energy and fighting climate change. The experience gives me insight into how little most folks know about the sources of their electricity, what they're paying for on their bill, what a REC even is, and why it's not the same as buying electricity from a clean renewable source.

This experience makes the need for HB1214 powerfully clear to me. This bill will do two important things for consumer protection and transparency: it will require suppliers to advise customers that they're getting electricity from their local utility's standard generation source mix along with RECs from renewable sources, rather than from a renewable source itself; and it will require those suppliers to report the incremental voluntary RECs they are buying on behalf of their customers.

For these policy, consumer protection, and experiential reasons, we support HB1214 and strongly urge a favorable rereport on HB1214 by the Committee.

Respectfully,

Alfred Bartlett, M.D., F.A.A.P.  
Board Member and Energy Policy Lead  
Chesapeake Physicians for Social Responsibility  
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*Physicians for Social Responsibility is a national organization of doctors and other health professionals dedicated to averting two overarching threats to human health and well-being: nuclear weapons and climate change. PSR is a component of International Physicians for the Prevention of Nuclear War, which received the 1985 Nobel Peace Prize.*

# **residential electricity Senate Bill - Google Docs.**

Uploaded by: Anne Manuel

Position: FAV

TESTIMONY IN SUPPORT OF HB 1214  
Residential Retail Electricity – “Green Power” Marketing Disclosure

Education, Energy, and the Environment Committee Hearing, March 30, 2023

My name is Anne Manuel and I’ve lived in Silver Spring, MD., for 38 years. I am writing on behalf of myself to urge a favorable report on HB 1214.

I am deeply concerned about the threat climate change poses to our world, our children, and our grandchildren. Wildfires, flooding, sea level rise, mass extinctions, threats to agriculture, mass migration, and extreme heat are already upon us. We need to do everything possible to maintain a liveable planet. Because of this concern, my husband and I have been willing for several years to pay a premium to have our electricity come from renewable sources. That’s why we chose WGL Energy’s CleanSteps Wind Power for our home in Silver Spring and cabin in Myersville, MD. We were assured by the company’s literature that we were purchasing 100% wind power.

*“Your choice of Green-e® Energy certified 100% CleanSteps® WindPower from WGL Energy is sourced from wind farms located in the PJM Interconnection and benefits your local environment,”* the company wrote to us in July 2022. *“CleanSteps® Wind Power covers 100% of your electricity usage, and is composed of 100% wind energy,”* the literature claimed [my emphasis].

We paid a premium of more than \$1,000 last year to WGL for what we believed to be wind power. We learned recently that the company’s claims – like claims by many other third-party electricity suppliers – are entirely misleading. WGL apparently is not selling us power generated by wind. The company is not buying wind power on our behalf. We are actually getting the same mix of the local power grid supply as our neighbors who have not opted for 100% clean energy and are not paying a stiff premium. Instead, the company is selling us Renewable Energy Certificates (RECs), which are best described as a credit for the attribute of renewable energy generation, rather than the energy itself. A portion of the premium goes to the wind farm in payment for the REC. The rest is pocketed by the company. I feel like I’ve been had.

But potentially more serious than the fact that my family has been misled by “green power” marketing is the potential impact such misunderstandings can have on the climate. I’m sure we are not the only family in Maryland who has believed that we no longer needed to conserve energy since our usage was (we believed) actually encouraging renewable energy production. Deceptive claims about green power can have a pernicious impact. Families like ours were not only paying more, but using more. *Instead of easing the climate crisis, false green energy claims are making it worse.*

None of this can be gleaned from the marketing by the company. I understand that other companies make the same misleading claims. This is an example where regulation is desperately needed to accomplish two goals: 1) ensure that consumers know what they are purchasing; and 2) press the companies to make available genuine clean energy choices for consumers such as ourselves.

I believe that HB 1214 is a step in the right direction toward achieving these goals. Thank you for your consideration.

**HB1214 senate side.pdf**

Uploaded by: Cindy Carter

Position: FAV



Cancer Support Foundation, Inc.  
8268 Academy Road  
Ellicott City, Maryland 21043

Phone: 410.964.9563  
Email: [info@cancersupportfoundation.org](mailto:info@cancersupportfoundation.org)

[www.cancersupportfoundation.org](http://www.cancersupportfoundation.org)

## Education, Energy and Environment Committee

Support HB1214

March 30, 2023

Cindy Carter  
Executive Director  
Cancer Support Foundation, Inc

Good Afternoon, Chairman and committee,

I am Cindy Carter Executive Director Cancer Support Foundation, Inc. and submitting this testimony in favor of HB 1214.

Several years ago we became customers of a third party supplier who was advertising that they were helping the environment and giving us an opportunity to do the same by using their product which was derived from "green" energy sources. We were not concerned about the extra cost since this product would help the environment.

Since then, we have found out that the product that we were paying for was not really green. We ended our contract. We have the freedom to choose whatever product we want in our lives made on information that is given to us as a consumer. Companies, especially in the field of a commodity that we all use and have to have to exist each day, should not be able to advertise false information about any aspect of their product.

We are asking for a favorable report on HB1214.

Sincerely,

A handwritten signature in cursive script that reads "Cindy Carter".

Cindy Carter  
Executive Director  
Cancer Support Foundation, Inc.



# **Stein Testimony HB 1214 Senate.pdf**

Uploaded by: Dana Stein

Position: FAV

DANA M. STEIN  
*Legislative District 11*  
Baltimore County

—  
*Vice Chair*  
Environment and Transportation  
Committee

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Chair, Environment  
Natural Resources,  
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*The Maryland House of Delegates*  
ANNAPOLIS, MARYLAND 21401

**Delegate Dana Stein’s Testimony in Support of  
HB 1214 – Residential Retail Electricity – Green Power –  
Renewable Energy Credits and Marketing Claims**

Chairman Feldman, Vice Chair Kagan, and Members of the Environment, Energy, and Education Committee:

In the past year, I’ve received eight or more solicitations from a clean-energy retail supplier trying to get me to switch my power to them. Like similar companies, this retail supplier advertises 100% clean, pollution-free energy.

I haven’t considered switching, because I’m fine with my standard offer service, plus, the power rate is higher and varies after the third month of service.

But I have often wondered: how does a consumer confirm that the energy supplied by these companies advertising 100% clean, pollution-free energy is indeed 100% clean and pollution-free? To me, those terms should include energy from solar, wind, geothermal, ocean, or small hydro.

As amended in the House, this bill will require that anyone marketing green energy will have to provide the following disclosure in its solicitations:

“If you purchase this energy plan, you are agreeing to purchase local utility distribution grid electricity that is paired with renewable energy credits (“RECs”) in an amount sufficient to match the percent of “green power” electricity in your contract.”

I consider this bill to be consumer-protection legislation.

I urge a favorable vote.

**HB1214-Dave Arndt-FAVORABLE.pdf**

Uploaded by: Dave Arndt

Position: FAV

## TESTIMONY IN SUPPORT OF HB1214

### “Residential Retail Electricity – Green Power – Renewable Energy Credits and Marketing Claims”

Economic Matters Committee Hearing  
February 23, 2023

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I am writing on behalf of myself to urge a favorable report on HB1214.

Hello, my name is Dave Arndt, a resident of Baltimore MD, an environmental advocate, a chemical engineer and former Director of product and Marketing at BP Solar.

At stake isn't just the electricity mix—it's the future of life as we know it on our planet. We do have time to prevent a climate disaster, however we must act quickly and make sure that every action that people do to support climate change mitigation is valid and not some greenwashing activity.

The last time CO2 levels were this high, the sea level was 60 feet higher. It is a good thing that sea level rise lags CO2 levels, otherwise the whole eastern shore of Maryland would be gone.

To do my fare share, I wanted to power my home with 100% renewable energy. I was willing to pay more for this. I saw it as my obligation to do so. About 6 years ago, I was sent a mailer by CleanChoice, it seemed perfect. For a few cents more a kwh, I was not only getting wind/solar electricity, I was helping them build out solar/wind farms. Their Sales Rep told me that my “surcharge” payment would bring more wind and solar farms online and eventually put coal and methane power plants out of business. I sold this renewable retail energy business model to my friends, colleagues, really, anyone I could.

Imagine by shock and horror when I found out this was not true. They were using unbundled Recs and the electricity that I was using was just the standard dirty electricity that everyone almost everyone uses in the state of MD. Basically, unbundled Recs don't support any additional build out, which means marketing claims by “green energy companies” saying they drive new wind and solar farms is misleading at best.

*This is scenario in Maryland:*

1. Company buys electricity from the PJM (~\$0.07 per kwh)

2. *Company buys unbundle Rec at ~\$0.0006 per kwh*
3. *Company sells you “green energy” (labeled this because of the rec) at ~\$0.15per kwh*
4. *Company has complete flexibility to do with the net income they just made (most spend it on sales and marketing, then profit)*
5. *Company has no incentive or need to actually help build out more wind and solar farms.*

This is plainly wrong and is a petitory practice. “Clean energy” companies are using deceptive marketing campaigns and getting away with it. In fact, they get passive approval to do this from the FTC and from the Maryland Public Service Commission, to do so. Maryland must change regulations to make sure that people who want clean energy, get clean energy. And the extra money they choose to pay truly helps to build out more wind and solar farms.

I cancelled ClearChoice last year and now I get almost a direct mailer a week offering me “green energy”. When I called them up to discuss their deceptive marketing, they said everything I said about unbundled Recs was correct, however the State of MD allows them to market this way.

We need to end this practice now.

Please vote favorably on HB1214. Consumers deserve to learn what they’re buying. This is a commonsense bill to put guardrails around the marketing claims and energy products they sell to climate conscious families.

Thank you,

Dave Arndt

**HB1214-JOELROSENBERG2-FAVORABLE.pdf**

Uploaded by: Joel Rosenberg

Position: FAV

## TESTIMONY IN **SUPPORT** OF HB1214

### “Residential Retail Electricity – Green Power Marketing Claims”

Education, Energy and the Environment Hearing

March 30, 2023

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My name is Joel Rosenberg, and I am writing on behalf of **myself** to urge a favorable report on HB1214.

I live in Takoma Park, Maryland, and moved here last summer. I was excited to learn about Maryland’s retail choice, since as a renter I aim to do everything I can to reduce my climate emissions, and switching to 100% renewable energy is an easy thing to do.

But when I started researching my options, I found a 2022 article calling out CleanChoice Energy for sneaky energy rate increases. As I dug further, I found the Energy Supplier Help Desk that documents additional shenanigans from Maryland retail choice.

And then I started getting the mailings. Below are two that I got that basically look like they’re from PEPCO, the second one with “RESPONSE REQUESTED” in red.



I'm pretty savvy, and even I was confused — are these from PEPCO? If they're asking me for a response, surely I'll have some choice inside?

No, the enclosed forms (photos enclosed in appendix), imply that I'll get "100% clean, pollution-free energy" just by returning this form, which they've asked me to return. But there is no way to refuse their offer on the form — other than not returning it as they've requested.

Further, the fine print on the back says:

"Supplier rates are not regulated. You will receive a variable supply rate with an introductory price for the first three (3) monthly billing cycles. CleanChoice Energy's current introductory price is 13.40¢/kWh. After the third month, your price may vary with no advance notice..."



Not only is the introductory rate higher than the standard PEPCO rate (8.97¢/kWh on my latest bill), but there is nothing preventing it from shooting up after the first three months!

This mailer, and everything associated with it, is predatory. They should not be allowed to send mailers that seem to be from PEPCO. They should have their pricing REGULATED, just like PEPCO. And I am very tuned in to this kind of stuff. Apparently, these companies are going door-to-door in low-income communities to prey on them for more customers, according to this [UC Berkeley report](#) that came out recently.

**Please vote favorably on HB1214. Consumers deserve to learn what they're buying. This is a commonsense bill to put guardrails around the marketing claims and energy products they sell to climate conscious families.**

Sincerely,

Joel Rosenberg



**FOR QUESTIONS OR TO GET STARTED, CALL (800) 423-9790  
OR GO ONLINE TO MYCLEANCHOICEENERGY.COM/SUN**

**IMPORTANT:**

**All that's required to switch is your signature and current Pepco Account Number. Please complete the form carefully and mail today.**

This is a solicitation from CleanChoice Energy. CleanChoice Energy is a licensed competitive retail electric service provider in Maryland and is not affiliated with Pepco.

▼ Detach Before Mailing ▼

**CLEAN ENERGY AUTHORIZATION FORM**

Return this form in the postage-paid envelope enclosed to obtain your electricity from renewable sources provided by CleanChoice Energy.

**FROM:**  
Joel Rosenberg



**STEP #1: Account Number** (Required)

Fill in the remaining boxes of your Account Number with Pepco.

5    -     -

**Important: You must provide your Pepco Account Number. This can be found on your most recent bill.**

**STEP #2: Authorization** (Required)

I am the customer of record and authorize CleanChoice Energy to enroll my address shown at left for 100% renewable energy. I have reviewed and accept the enclosed terms and conditions. I understand that I may switch back at any time without penalty. I authorize this enrollment by signing this form.

**Priority Code**  
AQGRM9557358

Signature **X** \_\_\_\_\_ Date \_\_\_\_\_

Email \_\_\_\_\_

35554001-055-00207005

**Important offer details:** By responding to this letter you will be enrolling for electricity supply service from CleanChoice Energy — a licensed supplier in Maryland. This is a letter from Pepco. Your utility will still maintain the wires, send your bill, and provide reliable service. This offer is valid for Maryland residents in Pepco's service territory. If you choose to enroll, you will receive full terms and conditions further explaining the details of your plan. Offer expires 03/15/2023.

Electric Generation Supplier Information	CleanChoice Energy MD PSC License No. IR-2843 1055 Thomas Jefferson St. NW #650 Washington, DC 20007 (800) 423-9790 support@cleanchoicenergy.com www.cleanchoicenergy.com
Price Structure	Variable month to month. To learn your current variable price and the prospective price, within 12 days of the start of the next billing cycle please visit <a href="https://web-cce-production.staging.azurewebsites.net/disclosures/state/MD/estimates/">https://web-cce-production.staging.azurewebsites.net/disclosures/state/MD/estimates/</a> .
Supply/Generation Price	13.40¢/kWh
Statement Regarding Savings	CleanChoice Energy does not guarantee savings with this plan
Contract Start Date	This contract will be effective after Pepco processes your enrollment
Contract Term/Length	Monthly billing cycle to monthly billing cycle until cancelled by either party
Cancellation/Early Termination Fees	\$0 - No Cancellation Fee / No Early Termination Fee
Renewal Terms	This contract renews month-to-month until cancelled by either party
Electric Distribution ("Utility") Company Information	Pepco is responsible for distribution charges, emergencies & outages 701 Ninth St. NW Washington DC 20068, 1-202-833-7500, <a href="http://www.pepco.com/">http://www.pepco.com/</a>

**Important Rate Information:** Our rate is for your electricity supply service and does not include any additional tax, distribution service charges, or other Utility fee or Charge. Supplier rates are not regulated. You will receive a variable supply rate with an introductory price for the first three (3) monthly billing cycles. **CleanChoice Energy's current introductory price is 13.40¢/kWh.** After the third month, your price may vary with no advance notice and is based on a number of costs which may include, but are not limited to: energy, transmission, capacity, ancillary services, renewable energy certificates, RTO system fees and other factors, plus CleanChoice Energy operating costs, expenses, and margins. This list of factors is not exhaustive and no single factor will determine the rate. Additionally, we seek to acquire a majority of our anticipated electricity supply in advance rather than from the spot market. For all of these reasons, your variable rate may not correlate with changes in wholesale market prices or your utility's rates. Your variable rate may be higher than your utility rate or other suppliers' rates.

**Product Information:** Electricity is the product of a mix of energy sources delivered over a system of wires. You will not have electricity from a specific generation facility delivered to Your service address. The energy your home uses will be paired with renewable energy sources through the purchase of wind and solar Renewable Energy Certificates ("RECs"). By purchasing and pairing RECs with your electricity services you are using and receiving the benefits of renewable electricity. Increased demand for, and generation of, renewable electricity can help reduce conventional electricity generation from fossil fuels in the region where the renewable electricity generator is located. It may also have other environmental benefits such as little or no regional air pollution or carbon dioxide. Switching will not impact Your electric service reliability. Your service will always include 100% wind and solar RECs and the specific mix of each resource may vary year-to-year. In 2021, the RECs for our Maryland customers were 70% wind and 30% solar, and CleanChoice Energy procured RECs from: Maryland, North Carolina, Pennsylvania, Illinois, Iowa, Indiana, South Dakota, and Virginia. CleanChoice Energy may take up to four (4) months following the close of a calendar year to purchase and retire RECs for this product. On an annual basis, we will report the actual mix of wind and solar RECs retired on Your behalf in the previous calendar year.

**Customer Initiated Cancellation:** To cancel your CleanChoice Energy service, please call CleanChoice Energy at 855-715-7311 or email support@cleanchoicenergy.com. You will be responsible for all CleanChoice Energy charges incurred up to the date your Electric Distribution Company effectuates cancellation.

**Company Initiated Cancellation:** We may cancel your CleanChoice Energy service for any reason other than arbitrary and illegal discrimination based on personal characteristics of the customer. If we cancel your CleanChoice Energy service, we will provide you with a written notice thirty (30) days in advance and your service will return to your utility's default electric supply service unless you choose another supplier.

**Complaint/Dispute Procedures:** If you have any questions, concerns, or complaints about your bill, please contact us by calling our Customer Care Representatives at 855-715-7311 or by emailing us at support@cleanchoicenergy.com. If for any reason you are not satisfied with our response, you may contact the Maryland Public Service Commission by calling 800-492-0474 (toll-free) or online at [www.psc.state.md.us/](http://www.psc.state.md.us/).

**Additional Information:** You may cancel or rescind your enrollment without penalty within three days of receiving this disclosure statement. CleanChoice Energy is solely responsible for the content of this marketing material and for the selling to, solicitation and enrollment of customer for energy supply services. For CleanChoice Energy's privacy policy, please visit <https://cleanchoicenergy.com/disclosures/privacy/>.

CCE is a licensed electricity supplier in Maryland (MD IR-2843).

“Supplier rates are not regulated. You will receive a variable supply rate with an introductory price for the first three (3) monthly billing cycles. CleanChoice Energy’s current introductory price is 13.40¢/kWh. After the third month, your price may vary with no advance notice...”

## Frequently Asked Questions About Switching to Clean Energy

**Q. If I switch my electricity to clean, renewable sources, who will my utility company be?**

A. Pepco will still maintain the wires, prepare your bill and provide reliable service. The only thing that will change is that the electricity your home uses will be replenished by clean, renewable wind and solar sources supplied by CleanChoice Energy.

**Q. What will happen to my electricity bills?**

A. In short, supporting renewable energy costs more than polluting energy. Usage is a factor in energy costs and residential electricity usage is typically higher in the winter and summer months. See enclosed important offer details for more information about pricing.

**Q. What if the power goes out?**

A. Call Pepco just as you always have. Outages will be no more or less likely than they've ever been.

**Q. Where will the clean energy come from?**

A. When you choose clean energy, Pepco will get your energy from a licensed energy supplier, CleanChoice Energy. CleanChoice Energy will source wind and solar power from farms in your region.

**Q. Who is CleanChoice Energy?**

A. CleanChoice Energy is an energy supplier licensed by the state of Maryland offering only 100% renewable energy.

**Q. How is renewable energy different?**

A. Renewable energy is produced from wind and solar sources. Unlike conventional electricity sources, renewable sources do not produce carbon dioxide or contribute to air pollution.

**Q. What if I want to switch back?**

A. You can switch back at no cost and with no interruption of service.

**Q. Outside of supply charges, are there any charges or fees if I decide to switch?**

A. We charge no fees to switch and no cancellation fee if you change your mind.

**Q. Can I switch to clean energy if I rent my home?**

A. Yes. If you currently receive and pay your electric utility bill every month on your own, then you can choose clean energy. Just sign and return the form enclosed.

**Q. What if I have additional questions?**

A. If you have questions or wish to be removed from our mailing list, please call us at 877-763-2503 or email us at [support@cleanchoiceenergy.com](mailto:support@cleanchoiceenergy.com).

**MORE QUESTIONS?**

Call (800) 423-9790 or view the enclosed details.

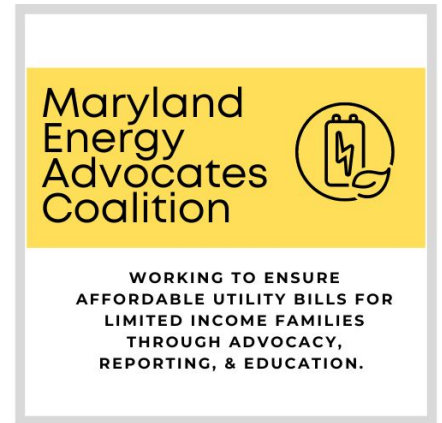
**HB1214-ENERGYADVOCATES-FAVORABLE-EEE .pdf**

Uploaded by: Laurel Peltier

Position: FAV

# TESTIMONY IN SUPPORT OF HB1214

Residential Retail Electricity-  
Green Power - Reporting and Marketing Claims  
Education, Energy and the Environment Committee  
Delegate Stein  
March 30, 2023



Chairman Feldman and members of Education, Energy & the Environment Committee: I am Laurel Peltier the Chair of Maryland Energy Advocates, a coalition of non-profits, foundations, churches and volunteers that advocate, directly help, and support policies and change to ensure that the Maryland's low income segment will one day have affordable utility bills that run about 6% of their households' income.

## **HB 1214 is a consumer protection bill intended to improve retail "green power" product transparency.**

Today, there are no regulations surrounding retail energy "green power" marketing and offer claims. Retail marketers sell "100% renewable energy" in some form or another. The vast majority of Maryland consumers that I help assume they are paying premium pricing for clean electricity fed into the PJM grid. Yet "green power" retail offers are REC-based products and that information is extremely difficult to find as a consumer.

Because consumers are paying significant pricing premiums for retail "green power" it is reasonable that consumers have more readily available and clear product information to make informed energy choice decisions.

### **HB1214:**

1. Was developed with the Public Service Commission.
2. Requires that all RECs purchased to support the "green power" claims are reported using the current yearly PSC reporting process.
3. Requires a standardized product disclosure statement used by all retail "green power" offers on all marketing, and in the contract, explaining what



"green power" retail energy offers are: local utility grid electricity paired with renewable energy certificates from clean energy generation sources.

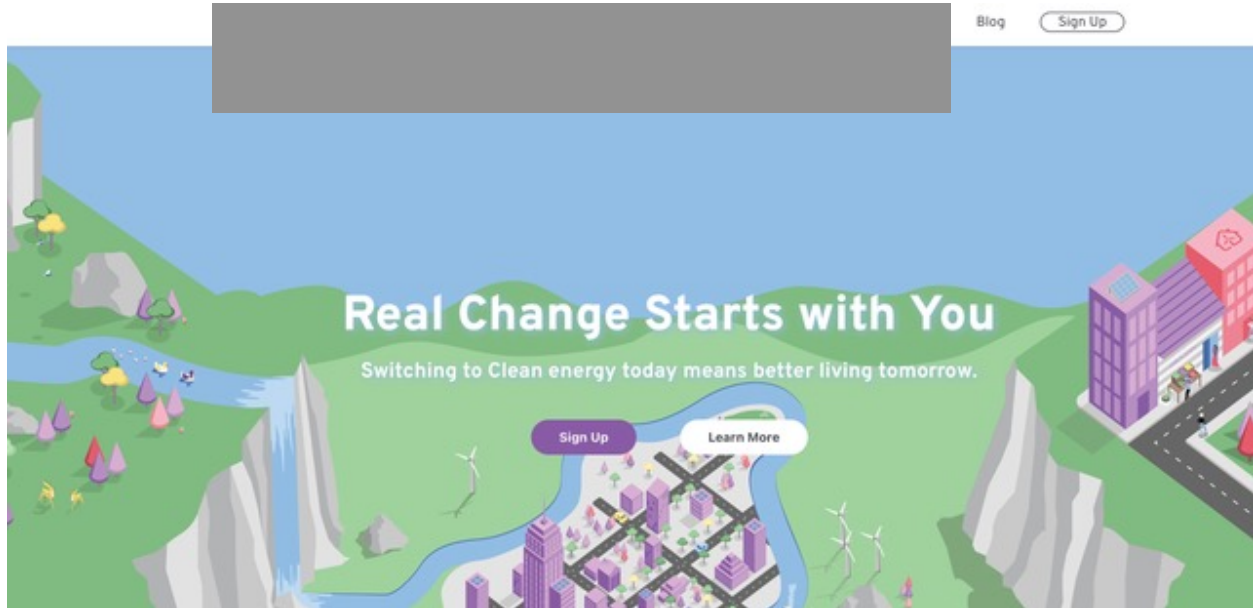
Energy Advocate thanks Delegate Stein for sponsoring HB1214 and we ask for a favorable report from your Committee.

*This chart is sourced from the DOE Energy Information Administration 861 files and reports for Maryland's residential market, the number of customers, and the average actual premium paid by each family for "green power."*

<b>MARYLAND RETAIL ENERGY</b> <b>"100% RENEWABLE" 2021 RESULTS</b>			
Res. Supplier	# Customers	Xtra \$ Paid per Family	Revenues Above SOS
#1 Shell Oil's Inspire	27,000	\$315	\$ 8.5 million
#2 CleanChoice	24,000	\$577	\$14 million
#3 Shell's SmartEnergy	8,500	\$116	\$1 million
#4 CleanSky / Titan	7,300	\$464	\$3.4 million
#5 Clearview	5,600	\$263	\$1.5 million
#6 M Power	5,500	\$257	\$1.4 million
#7 Star Energy	5,400	\$318	\$1.7 million
#8 NRG - Stream	5,200	\$519	\$2.5 million
#9 Indra / Palmco	4,600	\$559	\$2.5 million
#10 Tomorrow/Sperian	4,500	\$559	\$1.8 million
#11 NRG - Green Mount	3,400	\$705	\$2.4 million
#12 Greenlight	3,300	\$388	\$1.3 million
#13 Vistra - Viridian	2,300	\$807	\$1.8 million
#14 Spring Energy	2,200	\$447	\$1 million
<b>All "Green" Suppliers</b>	<b>108,000</b>	<b>\$412</b>	<b>\$45,000,000</b>



Here are examples of "green power" retail product marketing :



## How is [redacted] different than other energy companies? ^

[redacted] is different in several important ways:


- We sell only 100% clean energy from renewable sources like wind and solar.
- We don't contribute to any fossil fuel or nuclear energy production.
- We source our energy in the regions we serve.

[redacted]

[FOR BUSINESSES](#) [ABOUT US](#) [RESOURCES](#) [CONTACT US](#)


### Electricity and Natural Gas with a Purpose

Welcome to the future of energy. [redacted] renewable energy company and carbon-neutral natural gas provider on a mission: we strive to bring clean electricity to all at an affordable, honest rate.




**100% Renewable Energy**

100% green energy from clean sources such as wind turbines, solar panels, and hydro dams.




**Price Matters**

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The fact that [redacted] provides access to clean energy is great for the environment and for anyone concerned with climate change.

★★★★★ - Walter

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# **HB1214 Residential Retail Green Power RECs Marketi**

Uploaded by: Laurie McGilvray

Position: FAV



**Committee:** Education, Energy, and the Environment  
**Testimony on:** HB1214 – Residential Retail Electricity - Green Power - Renewable Energy Credits and Marketing Claims  
**Organization:** Maryland Legislative Coalition Climate Justice Wing  
**Submitting:** Laurie McGilvray, Co-Chair  
**Position:** Favorable  
**Hearing Date:** March 30, 2023

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of HB1214. The Maryland Legislative Coalition Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorable on HB1214.

HB1214 requires a Maryland electricity supplier that offers a “green power” option to residential customers to include a disclosure statement in their marketing information that they are offering to provide “electricity that is paired with renewable energy credits (‘RECs’) in an amount sufficient to match the percent of ‘green power’ in [the customer’s] contract.” The bill also expands the annual reporting requirement that each electricity supplier must submit to the Public Service Commission to include documentation of the amounts and types of generation associated with renewable energy credits purchased.

HB1214 provides an initial positive step through disclosure to tackling the problem of “greenwashing” by electric retail suppliers who confuse or mislead customers regarding the renewable content of their products, yet may nevertheless charge premium prices. A renewable energy certificate or REC is a theoretical product created when one megawatt hour of electricity is delivered from a “renewable” electricity generator to a local electricity grid. Once delivered to the grid, the REC is “unbundled” from the electricity and can be sold and retired once. Some RECs are associated with solar panels, wind turbines, and hydroelectric dams, but they can also be generated from dirty sources like trash incineration or wood burning. Customers may think they are getting clean wind or solar power when in fact they are getting unbundled RECs from other sources that produce GHG emissions.

This bill offers an initial step toward making electric customers more aware of what is included in “green power” offers when they consider the choices from retail suppliers. Additionally, suppliers will be required to document the amounts and types of generation associated with RECs purchased by Maryland residential electric customers each year. This will provide the data necessary to determine just how much truly clean green power (i.e., from solar, wind, and

hydroelectric sources) Maryland customers are purchasing from retail suppliers.

Because this legislation adds a degree of transparency for “green power” products offered by electric suppliers, we recommend a **FAVORABLE** report for HB1214 in committee.

**HB1214\_MDSierraClub&sign-on\_fav\_EEE 30March2023.pd**

Uploaded by: Mark Posner

Position: FAV

**Committee: Education, Energy, and the Environment**  
**Testimony on: HB1214 “Residential Retail Electricity – Green Power – Renewable Energy Credits and Marketing Claims”**

**Position: Support**

**Hearing Date: March 30, 2023**

The Maryland Sierra Club, the Maryland League of Conservation Voters, and the other organizations listed below urge a favorable report on HB1214.

This bill requires a greater degree of transparency by those Maryland electricity suppliers who represent in their marketing materials that their electricity is “green.”<sup>1</sup> These suppliers will be required to disclose that they are offering to provide “electricity that is paired with renewable energy credits (‘RECs’) in an amount sufficient to match the percent of ‘green power’ in [the customer’s] contract.”

Maryland’s Renewable Portfolio Standard (“RPS”) requires Maryland retail electricity suppliers to purchase a minimum number of RECs each year from among the eligible categories of renewable electricity generators. In this manner, the RPS is intended to provide financial support to growing the renewable energy industry. A REC constitutes a financial attribute owing to the generation of one megawatt-hour of electricity by an eligible renewable energy source.

The qualified RPS energy sources include clean sources that do not have greenhouse gas emissions – solar, wind, geothermal, ocean tidal energy, and hydroelectric. However, the RPS also includes several that do produce greenhouse gas pollution (e.g., trash incineration). The RPS defines the requisite minimum number of RECs in terms of a percentage of the supplier’s energy sales. That percentage currently is slightly above a third, and will rise to 52.5% in 2030.

Under Maryland’s deregulated electricity supplier system, residential customers may purchase their electricity from among any one of a large number of retail suppliers. This may be their local utility or a private company registered to sell electricity in the State. As in any free market system, suppliers may make a variety of assertions about their electricity when marketing their product.

One representation that suppliers can and do make is that their electricity is “green,” “100% wind,” “100% solar,” “carbon-free,” or the like. This is attractive to customers in Maryland who are concerned about the climate crisis and want to support forms of electricity generation that do not emit greenhouse gases. Maryland law, however, does not explain or define these terms. As a result, suppliers’ use of these terms may be ambiguous, unclear, or otherwise difficult for customers to understand.

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<sup>1</sup> Specifically, the standard will apply if and when suppliers represent that their “energy sources or renewable energy credits . . . are . . . green, eco-friendly, environmentally friendly or responsible, carbon-free, renewable, 100% renewable, 100% wind, 100% hydro, 100% solar, 100% emission-free, or [make] similar claims.”



This legislation adds a degree of transparency by requiring that these retail electricity suppliers inform potential customers that the supplier is purchasing RECs.

We urge a favorable report on this bill.

Josh Tulkin  
Chapter Director  
Mark Posner  
Clean Energy Team Lead  
Maryland Sierra Club  
mposner5719@gmail.com

Kristen Harbeson  
Political Director  
Maryland League of Conservation Voters  
kharbeson@mdlcv.org

Audubon Mid-Atlantic  
Chesapeake Bay Foundation  
Maryland Legislative Coalition

**MFA HB1214 Unfavorable.pdf**

Uploaded by: Beth Hill

Position: UNF



# Maryland Forests Association, Inc.

P.O. Box 332

Linkwood, MD 21835

410-463-1755

*Maryland's voice for forest, wildlife, and natural resource management*

March 28, 2023

The Honorable Brian J. Feldman, Chair  
The Honorable Cheryl C. Kagan, Vice-Chair  
Maryland Education, Energy, and the Environment Committee  
2 West  
Miller Senate Office Building  
Annapolis, Maryland 21401

Re: HB1214- Residential Retail Electricity- Green Power- Renewable Energy Credits & Marketing Claims

Dear Chairman Feldman, Vice-Chair Kagan, and Members of the Committee,

The Maryland Forests Association, representing the forest industry, landowners, and forest enthusiasts from across the state, has significant concerns about HB1214, requiring sellers of electricity to residential customers to disclose the source of that energy. While notifying electric consumers of how much of their power is derived from renewable sources seems worthwhile, the language of the bill represents a back-door approach to limiting “green power” to only wind, solar, geothermal, or hydropower.

The definition of “green power” focuses on wind, solar, or hydropower, to the exclusion of the other sources of renewable energy as defined in Section 7-701 in the Maryland Code. These sources exclude qualified biomass and anaerobic digestion. While the legislation does not modify the definition of Tier 1 sources that are now in the law, it does build the presumption that such sources as biomass should not be acceptable.

This bill represents a more subtle approach to removing biomass or, in fact, any source of renewable energy that includes combustion, from Maryland’s strategy for achieving very challenging renewable energy goals. Other bills have more blatantly addressed this question including measures that included outright repeal of biomass from the RPS. Our organization led the charge to form a coalition to unite nearly 50 organizations representing forestry, agriculture, environmental, and economic development sectors across the state in opposition to these bills because we know that

biomass can play a role in reaching environmental goals and supporting energy independence all while improving forest health and local economies.

We are perplexed over what appears to be an outright bias against biomass energy when it has so well been embraced by neighboring states where it has been proven to be clean and effective. Any effort to remove biomass from the RPS also flies in the face of proper forest management in Maryland, where we have an over-abundance of forests crowded with small, slow-growing trees that have no other value than for biomass energy.

If we are to achieve Maryland's goals for renewable energy, it will be necessary to include biomass as part of the strategy. HB 1214 sets the stage for removing this important part of renewable energy in the state and we urge an unfavorable report on the bill.

In closing, our forests are our greatest renewable resource and can help provide clean, "green power" to the state. Thank you, and please feel free to contact me, Beth Hill, at 410-463-1755 or via email at [beth@mdforests.org](mailto:beth@mdforests.org) if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "E. Hill". The signature is written in a cursive, slightly slanted style.

Elizabeth D. Hill  
Executive Director, Maryland Forests Association



# **Residential Retail Electricity - Green Power**

Uploaded by: Paul Ellington

Position: UNF



STATE AND LOCAL ADVISORS, LLC

March 28, 2023

The Honorable Brian J. Feldman, Chair  
The Honorable Cheryl C. Kagan, Vice-Chair  
Maryland Education, Energy, and the Environment Committee  
2 West  
Miller Senate Office Building  
Annapolis, Maryland 21401

Re: HB1214- Residential Retail Electricity- Green Power- Renewable Energy Credits & Marketing Claims

Dear Chairman Feldman, Vice-Chair Kagan, and Members of the Committee,

Worcester County has significant concerns about HB1214, which requires sellers of electricity to residential customers to disclose the source of that energy. While notifying electric consumers of how much of their power is derived from renewable sources seems worthwhile, the language of the bill represents a back-door approach to limiting "green power" to only wind, solar, geothermal, or hydropower.

The definition of "green power" focuses on wind, solar, or hydropower, to the exclusion of the other sources of renewable energy as defined in Section 7-701 in the Maryland Code. These sources exclude qualified biomass and anaerobic digestion. While the legislation does not modify the definition of Tier 1 sources that are now in the law, it does build the presumption that such sources as biomass should not be acceptable.

This bill represents a more subtle approach to removing biomass or, in fact, any source of renewable energy that includes combustion, from Maryland's strategy for achieving very challenging renewable energy goals. Other bills have more blatantly addressed this question including measures that included outright repeal of biomass from the RPS. With Worcester County surprisingly being home to much forestry, agriculture, and other economic development sectors, we know that biomass can play a role in reaching environmental goals and supporting energy independence all while improving forest health and local economies.

We are perplexed over what appears to be an outright bias against biomass energy when it has so well been embraced by neighboring states where it has been proven to be clean and effective. Any effort to remove biomass from the RPS also flies in the face of proper forest management in Maryland, where we have an over-abundance of forests crowded with small, slow-growing trees that have no other value than for biomass energy.

If we are to achieve Maryland's goals for renewable energy, it will be necessary to include biomass as part of the strategy. HB 1214 sets the stage for removing this important part of renewable energy in the state and we urge an unfavorable report on the bill. Our forests are our greatest renewable resource and can help provide clean, "green power" to the state.

Sincerely,

Paul Ellington

State and Local Advisors

On behalf of Worcester County Commissioners



# **WGL Energy HB1214 opposition Senate.pdf**

Uploaded by: rick binetti

Position: UNF

March 30, 2023

To: Chair Feldman and Members of the Senate Finance Committee  
Subject: HB 1214 - Residential Retail Electricity - Green Power - Renewable Energy Credits and Marketing Claims  
Position: **Oppose**

Dear Chair Feldman 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 Marylanders know where these products originate is critical to building trust and confidence among our customers.

Fortunately, HB 1214 was amended in the House, striking the provision that 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. However, the bill would still 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 requiring a confusing new marketing disclosure.

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. WGL believes the Commission already has authority to enforce the language in this legislation, along with the responsibility to ensure energy customers are educated on the products in the market.

In the spirit of full transparency on behalf MD's retail supply industry, WGL is happy to work with and offer suggestions to the Commission to better achieve the objectives of the bill, including:

- Review current regulations regarding disclosure to align with current rules, and to issue guidance to retail energy suppliers on disclosure requirements for compliance. Also, the Commission could report back to the Committee if PSC finds the need for any changes or updates to the disclosure requirements.
- Update functionality to PSC's retail shopping website to include a storability function similar to Pennsylvania's that would help customers differentiate green, renewable products as national, PJM regional, or Maryland sourced.

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.



# **OPC Testimony HB1214 in the Senate - Informational**

Uploaded by: David Lapp

Position: INFO

DAVID S. LAPP  
PEOPLE'S COUNSEL

WILLIAM F. FIELDS  
DEPUTY PEOPLE'S COUNSEL

JULIANA BELL  
DEPUTY PEOPLE'S COUNSEL

— OPC —  
**OFFICE OF PEOPLE'S COUNSEL**  
State of Maryland

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BRANDI NIELAND  
DIRECTOR, CONSUMER  
ASSISTANCE UNIT

BILL NO.: HB 1214 - Residential Retail Electricity - Green Power -  
Renewable Energy Credits and Marketing Claims

COMMITTEE: Education, Energy, and the Environment

HEARING DATE: March 30, 2023

SPONSOR: Delegate Stein

POSITION: Informational

\*\*\*\*\*

House Bill 1214 as amended by the House, as the Office of People’s Counsel understands it, is intended to ensure the integrity of retail electricity suppliers’ “green marketing” claims by requiring suppliers who claim their products benefit the environment to: (a) buy renewable energy credits that are both sufficient to match their environmental marketing claims and are in quantities that exceed their existing renewable energy portfolio standard requirements under Maryland law; and (b) provide an explanation to consumers clarifying what RECs are. OPC supports this intent but is concerned that certain provisions of the bill, as currently written, run counter to this intent, and may prove detrimental to consumers.

Since 2004, Maryland’s Renewable Energy Portfolio Standard (“RPS”) has required electricity suppliers to fill to a minimum of their electricity sales with energy from renewable sources. *See* Public Utilities Article (“PUA”) §§ 7-701 et seq. The RPS allows for the sale and transfer of renewable energy credits (“RECs”) where individuals and companies interested in installing a qualifying source of energy can sell their RECs to an electricity supplier. If an electricity supplier does not comply with the minimum requirements, it will have to pay a financial penalty, called an Alternative Compliance Payment.

We have two primary concerns with the bill as drafted. *First*, HB 1214 does not contain language stating how many RECs—or the proportion of RECs—that a supplier must buy to call itself or its products “green.” The bill states its purpose as “requiring an

electricity supplier that offers green power for sale to residential customers to purchase certain renewable energy credits *in excess of* the renewable energy portfolio standard in a certain year in an amount equal to the amount of electricity sold to residential customers as green power in that year,” but the operative text does not conform with this purpose. Although the bill requires electricity suppliers to submit reports on the amounts and type of generation, the operative text of the bill (§ 7-707(b)) requires only that “an electricity supplier shall purchase [RECs] for each year the electricity supplier offers green power for sale to residential customers.” No language requires an electricity supplier offering “green power” to purchase RECs “in excess of the [RPS]” or “in an amount equal to the amount of electricity sold to residential customers as green power in that year,” as the bill intends.

HB 1214’s failure to state how many RECs—or the proportion of RECs—that a supplier must buy to call itself or its products “green” means that a supplier could call its offer “green” by simply complying with the current RPS law—purchasing only the minimum RECs to meet the RPS, and nothing more. Suppliers should not be allowed to market themselves as “green” for simply meeting the minimum standard that Maryland law requires—an outcome the bill likely does not intend, but on its face would allow. In our view, suppliers should only be able to market their offers as “green” if they exceed, significantly, the requirements of Maryland law.

*Second*, although we support the bill’s attempts at transparency, the disclaimer language in proposed section 7-707(d) is potentially misleading. The proposed disclaimer suggests that the purchase of RECs cannot have any effect on the resource mix used to generate electricity. However, suppliers’ purchases of RECs in fact can change the mix of generation. RECs provide funding to renewable energy producers. This effect may be small at the individual level but is larger in aggregate.

Given the complexities of this issue, OPC suggests that the General Assembly instead instruct the Public Service Commission to promulgate regulations that fulfill the intent of HB 1214. The Commission could be required to set orders or regulations that (1) require suppliers that want to make “green” marketing claims to buy the desired RECs; (2) define what percentage of RECs above the RPS requirement a supplier must purchase to call itself or its products “green”; and (3) draft an appropriate explanation of how RECs work, as necessary.

# **HB 1214\_Information\_Stanek.pdf**

Uploaded by: Jason Stanek

Position: INFO

STATE OF MARYLAND



OFFICE OF THE CHAIRMAN

JASON M. STANEK

**PUBLIC SERVICE COMMISSION**

March 30, 2023

Chair Brian Feldman  
Education, Energy and Environment  
2 West, Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: HB 1214 – INFORMATION – Residential Retail Electricity – Green Power – Renewable Energy Credits and Marketing Claims**

Dear Chair Feldman and Committee Members:

I write today to provide information regarding HB 1214 - Residential Retail Electricity – Green Power – Renewable Energy Credits and Marketing Claims. HB 1214 requires electric suppliers, which are marketing their supply as **renewable or green**, to purchase renewable energy credits for each year the supplier offers green power, as defined in §7-707 (A), for sale to residential customers.

Additionally, HB 1214 requires electric suppliers that claim to be purchasing green power to make a disclosure to customers. This disclosure should help customers to better understand the nature of the green/renewable product they are purchasing.

The Commission currently regulates retail suppliers to prevent and deter fraudulent or deceptive marketing practices. The proposed requirements of HB 1214 will increase transparency and allow the Commission to substantiate “green power” marketing claims. It should be noted that the Commission currently has the ability to verify renewable energy credits located in the PJM market. The ability to verify renewable energy credits outside the PJM market<sup>1</sup> is unclear, as the Commission is not aware of how much access will be given to data from the markets outside of the PJM.

I appreciate the opportunity to provide information on HB 1214. Please contact Lisa Smith, Director of Legislative Affairs, at (410) 336-6288 if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason M. Stanek".

Jason M. Stanek, Chairman

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<sup>1</sup> The deleted language on page 2, lines 29 through page 3, lines 1-4 would have further restricted the scope of allowable RECs.