

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.

