

Committee: Economic Matters
Testimony on: HB0267 - Electricity and Gas - Retail Supply - Regulation and Consumer Protection
Submitting: Walter Mulbry, Resident Takoma Park, MD
Position: Favorable
Hearing Date: February 15, 2024

Dear Chair and Committee Members:

I am pleased to provide testimony in support of HB0267- Electricity and Gas - Retail Supply - Regulation and Consumer Protection, because protections for residential consumers of retail electricity are long overdue.

I am a resident of the City of Takoma Park and very active in environmental issues. In 2018, under the leadership of the Sustainability Director, Gina Mathias, the City of Takoma Park undertook an energy challenge, including getting more residents on 100% green electricity. The City put out an RFP and negotiated a rate of 8.6 cents/kWh with CleanChoice Energy for 100% Maryland-generated wind and solar available for its residents. The rate included no cancellation fees, one year guaranteed pricing, and a continued discount when customers renewed (with rate adjustments according to the market).

We were excited to sign up for this opportunity, especially since it was **100% Maryland-generated wind and solar**, which we assumed would help support the development of wind and solar in the state. We also helped many of our friends and neighbors sign up.

We received annual renewal letters with the new rate. For the first three years, the rate only varied about 1 cent/kWh. However, we note the letter changed to “100% wind and solar” (not “Maryland-generated”) and then to just “wind and solar,” leading us to wonder just how “green” the source of renewable energy was, i.e., whether it actually was 100% wind and solar and Maryland-generated energy.

In July 2022, the rate jumped significantly to 13.9 cents/kWh as compared to 8.8 cents/kWh for Pepco standard offer service (SOS). At this point, we had installed solar panels that cover our electricity use and terminated our contract with CleanChoice Energy. We were not the only ones to notice the dramatic increase in the rate. A neighbor recently reported that they too had previously used CleanChoice Energy to get 100% wind power-sourced electricity, but by January 2024 the rate had gone up to 18 cents/kWh, about 60% more expensive than Pepco SOS. They switched to Green Mountain Energy at 11 cent/kWh for 90% wind/10% solar electricity.

I tell this story because we apparently are not alone in experiencing the practice of retail suppliers escalating the price for “green power” and purchasing questionable renewable energy credits. Their business model seems to be to get a customer hooked with a

lower initial rate and then hope they don't pay attention to annual auto-renewal letters as the rate climbs and climbs. They also may be doing a bait and switch on the quality of renewable energy – shifting from Maryland-generated to cheaper out-of-state RECs. These questionable practices need to end and HB0267 will put in place the kind of pricing guardrails and transparency needed to protect Maryland ratepayers.

I hope the Committee will give HB0267 a favorable report.