



HOUSE BILL 236 – PUBLIC SERVICE COMMISSION – ELECTRICITY SUPPLY AND CONSUMER PROTECTIONS – REGULATIONS AND ORDERS

UNFAVORABLE

HOUSE ECONOMIC MATTERS COMMITTEE

February 15, 2024

NRG Energy, Inc. (“NRG”) submits these comments in **opposition** to **HB 236 – Public Service Commission – Electricity Supply and Consumer Protections – Regulations and Orders**.

NRG is the leading essential home services company powered by its customer-focused strategy, strong balance sheet, and comprehensive sustainability framework. A Fortune 500 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 energy solutions. Our retail brands serve more than 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.

Maryland de-monopolized the supply of electricity two decades ago. Today, almost 400,000 electric customers choose to buy their electricity supply from competitive suppliers. All told, energy purchases from the competitive market amount to 41% of the state’s total peak electricity demand by Marylanders. That would all change for the worse if House Bill 236 were adopted. Rather than provide consumer protections, HB 236 irreparably harm choice for Maryland customers.

NRG is concerned that the proposed language will make it more inconvenient for customers to exercise their right to shop, and harder/more expensive for retail suppliers to serve them. This bill would:

- eliminate jobs by restricting the ways individual sales agents can be compensated;
- force competitive suppliers to advertise for their biggest competitor (the regulated monopoly utility) in all of their marketing efforts;
- force customers to be slammed back to the regulated monopoly utilities after choosing to enroll for electricity supply service with a competitive supplier; and
- reduce small business investment in the Maryland economy.

NRG is preparing to invest in a new billing system in 2024 to take advantage of new rules that will, for the first time, enable us to bill our Maryland customers directly – allowing us to build longer lasting relationships with our customers and to offer more innovative products and services that will help Maryland meet its clean energy goals. Supplier Consolidated Billing will bring much needed transparency and accountability to Maryland consumers who exercise their

right to shop and would address some of the concerns this proposed legislation intends to solve. HB 236 jeopardizes that investment decision.

Like all industries, the competitive retail energy market has some bad actors. However, it is important to recognize that complaints against competitive retailers historically have been very low, and while they did tick up slightly in early 2023, have fallen – not increased – in the last year. Importantly, the legislature has already taken steps to ensure good conduct in the marketplace. In 2020, the legislature passed a law requiring the PSC to implement a training course for energy salespeople. It also passed a law restricting the kinds of products that customers receiving energy assistance can choose, thus protecting the most financially challenged Marylanders.

HB 236 would irreparably harm customer choice in the energy space and for that reason NRG urges the Committee to give HB 236 an **unfavorable** report.

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