

F.O.DAY

February 12, 2024

Delegate CT Wilson, Chair
House Economic Matters Committee
House Office Building, Room 231
Annapolis, Maryland 21401

RE: House Bill 267 – UNFAVORABLE – Electricity and Gas - Retail Supply - Regulation and Consumer Protection

Dear Chair Feldman and Members of the Committee:

F.O. Day Co. is a full-service contractor in Maryland building the infrastructure that helps Maryland keep moving forward. Since 1944, we have worked with an outstanding range of public and private clients under competitive bid, negotiated, and design-build contract arrangements. Our in-house capabilities provide maximum control for competitive pricing, job scheduling, customer responsiveness, and quality control.

House Bill 267 would alter the retail energy program in Maryland in a variety of ways. This legislation is very concerning for companies like ours. During the bidding process on major projects throughout Maryland, those bids require known inputs when establishing a price. One of those known inputs is energy. Currently, we can enter long-term contracts anywhere from 18 to 36 months, which affords us stability with our pricing. This bill would limit those contracts to 12 months, leaving us with an unstable price structure. As a result, we would have to increase our bid prices or eat the cost when energy prices increase over the course of the project.

It is unclear the problem this legislation attempts to solve, but the increased risks and costs are extremely obvious. Our company has been very satisfied with the ability to shop for energy in the retail market. This bill would effectively eliminate the retail market, leaving a monopoly of only the utility companies as our resource for energy.

We appreciate you taking the time to review our testimony and respectfully request an **UNFAVORABLE** report on House Bill 267.

Sincerely,



Francis Day, IV
President
F.O.DAY COMPANY