



8455 Colesville Rd., Suite 1025 Silver Spring, MD 20910

March 26, 2024

Testimony in SUPPORT of SB1 as amended in the Senate EEE Committee.  
House Economic Matters Committee

Dear Chairman Wilson and members of the Economic Matters Committee:

Why does Neighborhood Sun support SB1 as amended – the legislation to reform retail electricity in Maryland? Neighborhood Sun is a Maryland based community solar company that's centered on providing clean energy at a discount to everyone, not just the select few. We connect interested electricity consumers to solar projects throughout the state and are proud to be a Maryland Benefit Corporation.

For too many years, Maryland residential electricity consumers have been fed a false narrative about “saving money” or “supporting the environment” through retail electric choice.

Unfortunately, many studies have shown that ratepayers that signed up for retail energy products ended up paying far more for their electricity than those who just stayed on standard offer service (SOS) from the utility. The so-called “green options” were essentially unregulated and with very little oversight to ensure they are legitimate. This bill, which passed the Senate and will hopefully pass the House soon and go to the governor’s desk for his signature, will add some much-needed consumer protection, especially for low-income families who have been targeted by these bad actors.

In short, the bill will address the following issues, among others:

- Ensures “non-green power” retail rates cannot be higher than utility rates.
- “Green power” offers will be required to be reviewed by the Public Service Commission (PSC). Each “green power” offer’s rates will be approved by the PSC based on the type of Renewable Energy Certificates (RECs) purchased on behalf of their customers.
- Eliminates auto-renewals in contracts.
- Reforms and regulates door-to-door and other types of in-person sales agents.
- Prohibits Purchase of Receivables, which means that the retail electric companies, not the utilities and ratepayers, will be responsible for non-payment from their customers.

There are several other provisions as well, but what I’d expect in Maryland, after this bill passes, is that families will be able to enroll for retail electricity products that actually save them money and



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deliver on what they promise. Low-income households that have not yet enrolled in Energy Assistance, will benefit from this legislation by avoiding signing up for products that cost them extra. All ratepayers will benefit from no longer subsidizing utility losses from non-payment for retail products.

During the past month as SB1 / HB 267 has been discussed, some rumors are flying around that this bill will end renewable energy choices for Marylanders. **That could not be further from the truth.**

Maryland will continue to have many green energy options to choose from, including community solar, rooftop solar, and hopefully legitimate forms of green retail energy. As a business leader who ran a retail energy company until 2014 (Clean Currents) and now runs a community solar company (Neighborhood Sun), I speak from direct experience. The community solar product is far better for Marylanders and specifically for electricity consumers. With community solar, consumers are supporting a local solar farm right here in our state, and are guaranteed savings. In fact, the savings for low- and moderate-income subscribers is larger than for others, as it should be. The state as a whole receives the benefit of cleaner air as more solar farms get built locally.

At Clean Currents, we were upfront with customers who signed up for our premium green energy product, telling them it cost extra. We only used Green-e certified RECs, which we reported to the Public Service Commission. Still, we saw many others in the industry who were not so scrupulous or honest. That's why I'm so much happier running a Maryland business that helps families connect to local community solar farms. While Neighborhood Sun has many competitors, almost all from out of state, the business model we all follow is legitimate and fair to everyone.

Getting rid of "fake retail green energy" consumer products will help Marylanders who have a genuine desire to help our climate.

On behalf of Neighborhood Sun, I voice my strong support for SB1. It's time to reform retail electric suppliers and protect Maryland consumers. Please favorably support SB1 as amended by the Senate EEE Committee out of the ECM Committee.

Submitted by Gary Skulnik, CEO and Founder of Neighborhood Sun Benefit Corp.



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