



HoCoClimateAction.org
Howard County, Maryland

HB9267: Electricity and Gas - Retail Supply - Regulation and Consumer Protection

Hearing Date: February 15, 2024

Bill Sponsor: Delegate Crosby

Committee: Economic Matters

Submitting: Ruth White for HoCo Climate Action

Position: Favorable

[HoCo Climate Action](#) is a [350.org](#) local chapter and a grassroots organization representing approximately 1,400 subscribers. It is also a member of the [Climate Justice Wing](#) of the [Maryland Legislative Coalition](#).

HoCoClimateAction has been providing climate crisis education and advocacy in Howard County for over 15 years. For a large part of that time we unwittingly thought we could address the climate crisis by urging our audience to change from utilities' standard offer service (SOS) to a third party provider that sold a "green energy" product. We regret to say our organization's leaders switched over to "wind" "solar"/green rec offers and we convinced many members to switch over as well.

In fact a few years ago we advised people not to choose third party providers promoting these so-called "green" energy plans and instead to choose to support community solar, install their own solar panels, and move to heat pumps.

The environmental community was told that supporting third party providers who provide "green energy" plans, would result in the creation of more renewable energy in the U.S., if not in Maryland. In fact, we now know that this rarely occurs. And the whole RECs system is very opaque. It is virtually impossible for the average person to find a third party provider whose RECs create new truly renewable energy. Additionally, in Maryland the facts show that third party providers have swarmed to this state with poorly trained and duplicitous salespeople targeting low-income neighborhoods and the elderly with offers that are in the long term far more expensive than SOS, enticing many to switch.

We learned from SOS & retail rate data sourced from the Department of Energy's EIA 861 files (<https://www.eia.gov/electricity/data/eia861/>) that Maryland customers who switch paid an average of \$500 over SOS, the second highest rate in the US.

It would be hard to undo the deregulation set in place in 1999 in Maryland (and many other states) although given the data it is hard to see how "CHOICE" benefits customers when there is:

- Lax regulation
- In most cases no transparency both of the climate benefits claimed and
- No transparency about the ultimate cost.

This is a national problem, but weak oversight and regulation in Maryland has resulted in the great exploitation of state residents. This bill, HB0267, can reduce exploitation of Marylanders in several important ways.

- Requiring licenses for retail choice energy salespersons
- Requiring improved (more accurate) green power marketing
- Improving PSC oversight and more.

This bill is an important step in stopping exploitation of Marylanders in the name of “CHOICE”. There is no real choice when consumers cannot access the true facts (such as they are not funding expansion of green power and that most will end up paying much much more than SOS.) Please untie the hands of Maryland agencies like the Public Service Commission and the Office of the People’s Counsel to protect the best interests of Marylanders.

We urge a favorable report for HB0267.

Howard County Climate Action

Submitted by Ruth White, Steering and Advocacy Committee

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