



Kim Coble  
Executive Director

2024 Board of  
Directors

Lynn Heller, Chair  
The Hon. Nancy Kopp,  
Treasurer  
Kimberly Armstrong  
Candace Dodson-Reed  
Verna Harrison  
Melanie Hartwig-Davis  
Charles Hernick  
The Hon. Steve Lafferty  
Patrick Miller  
Bonnie L. Norman  
Katherine (Kitty)  
Thomas

February 15, 2024

**Support: HB 236 - Public Service Commission - Electricity Supply and Consumer Protections - Regulations and Orders**

Mr. Chairman and Members of the Committee:

Maryland LCV supports HB 236 Public Service Commission - Electricity Supply and Consumer Protections - Regulations and Orders, and we thank the Maryland Energy Administration for working with you to bring this issue to the fore. We are also supportive of HB 267, which is being heard in the committee today, as well, and hope that the ideas presented in each bill can be collaborated on to make progress on the issues they seek to address.

Maryland deregulated its energy market in 1999, which means that third party suppliers can buy energy from the wholesale market and sell it back to residents at a profit. Consumers in Maryland can purchase their electricity or natural gas from their local utility, or from one of these third party retail energy suppliers. Prices offered by local utilities are authorized and monitored by the Public Service Commission (PSC), while the prices from retail suppliers are not regulated. [Energy Supplier Help Desk](#) in Maryland estimates that households subscribed to third parties in 2022 paid 50% more per kWh (\$0.08 versus \$0.12) for electricity supply.

HB 236 directs the PSC to offer some guardrails and protections for consumers as they navigate energy choices.

Maryland LCV support for HB 236 stems from two of the concerns being raised about third party suppliers: 1) targeting variable rate sales in low-income communities, communities of color, and households for whom English is a second language; and 2) the lack of transparency on green energy claims by the energy suppliers.

HB 236 focuses on #1 above, including limits on contracts, clarity on standard offer service rates for customers, prohibiting contracts from lasting more than one year, and establishing licensing and procedures, fees, and reporting requirements for door-to-door marketing. HB 236 does not address the lack of transparency on green claims by the energy suppliers and we would like to see this addressed in any bill that moves forward.

We urge the Committee to closely examine the provisions of the bill with an eye towards consumer protection, and urge a favorable report.

Sources used in composing this testimony:

[State of Maryland Office of People's Counsel webpage on Third Party Suppliers](#)

Baltimore Banner 2023 article, "[State commission investigating retail energy suppliers following record-high complaints](#)"