

DAWN D. GILE
Legislative District 33
Anne Arundel County

Finance Committee

Chair

Anne Arundel County
Senate Delegation



Miller Senate Office Building
11 Bladen Street, Suite 3 East
Annapolis, Maryland 21401
410-841-3568 · 301-858-3568
800-492-7122 Ext. 3568
Dawn.Gile@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony In Support of SB 749

Residential Retail Customer and Retail Electricity Suppliers – Definition and Alterations

Mr. Chair, Madam Vice Chair and Members of the Committee:

Senate Bill 749 builds on the substantial work this Committee undertook last session in passing SB 1. We respect the expertise of this Committee and the careful consumer protections that were put into place.

SB 749 does not undo that work. It makes modest, technical adjustments designed to address unintended consequences that District 33 residents are now experiencing.

Last year's reforms significantly tightened the residential retail electricity market. In doing so, they strengthened consumer protections in response to documented overcharging, misleading marketing, and variable-rate risks. However, following implementation and changes in wholesale energy markets, the practical result has been that many suppliers have exited the residential space altogether, leaving customers with effectively no retail choice.

SB 749 is an effort to restore limited, responsible competition while maintaining guardrails.

What the Bill Does

SB 749:

- Defines "Residential Retail Customer" to clarify eligibility and prevent commercial accounts from being coded as residential.
- Adjusts how supplier pricing is compared to Standard Offer Service (SOS), replacing the trailing 12-month average benchmark with a cap tied to the SOS rate as of the date of agreement.
- Maintains the 12-month term cap for residential supply contracts.

- Authorizes consolidated billing, without restoring purchase of receivables or shifting credit risk to utilities.
- Refines the framework for pricing electricity marketed as green power under Commission oversight, while maintaining Renewable Portfolio Standard thresholds and PSC approval requirements.

These are targeted changes. They do not dismantle SB 1. They do not restore variable-rate contracts. They do not eliminate the SOS cap. They do not amend residential gas pricing under §7-604.2. And they do not weaken PSC or OPC enforcement authority.

They simply make technical corrections so that suppliers can realistically operate in the residential market again.

What We Are Hearing from District 33 Constituents

Over the past year, my office has heard from a growing number of District 33 residents who were notified that their retail electricity supplier would no longer be serving the residential market in Maryland. In many cases, these constituents were returned to Standard Offer Service not because they made an affirmative choice, but because their supplier exited the market and no comparable residential products remained available.

Residents who contacted our office understood and supported the consumer protections enacted last year. Their concern was that, following implementation and wholesale price volatility in 2024 and 2025, new fixed-price residential supply offers were no longer available to them at all.

Energy affordability remains a top issue for families in Maryland. Households are comparing their BG&E bills month to month, and seniors in particular are budgeting carefully. When supplier participation declines to the point that customers are returned to default service with no alternative retail products available, they are no longer participating in a competitive marketplace.

SB 749 attempts to address that concern by restoring the ability for responsible suppliers to offer retail products while maintaining the consumer protections enacted under SB 1.

Respect for Committee Process

I recognize that this Committee spent significant time last year debating pricing caps, billing structures, and green power requirements under SB 1.

SB 749 is not a repudiation of that work. It reflects the natural process of legislating in complex markets: sometimes adjustments are necessary once implementation realities become clear.

The policy question is not whether SB 1 was justified — it was. The question is whether certain technical provisions are producing the outcome the General Assembly intended.

I believe that restoring responsible supplier participation, consistent with the protections this Committee enacted, serves the interests of Maryland ratepayers.

For those reasons, I respectfully request a favorable report on SB 749.