



Maryland Energy Administration

TO: Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee

FROM: MEA

SUBJECT: HB 596 - Large Load Customers - Electric System Interconnection and Demand Response Program

DATE: March 3, 2026

MEA Position: FAVORABLE WITH AMENDMENTS

The Maryland Energy Administration (MEA) respectfully submits this letter in support of Senate Bill 771 (SB771) with amendments.

SB 771 makes a meaningful administrative improvement by transferring implementation and administration of the Electric Universal Service Program (EUSP) to the Office of Home Energy Programs (OHEP) within the Department of Human Services (DHS). Locating administration with OHEP, Maryland's primary low-income energy assistance administrator, supports a more coordinated, customer-centered approach to bill assistance, arrearage retirement, and program delivery. This alignment can reduce administrative friction for households seeking support and strengthen Maryland's capacity to deliver benefits efficiently and equitably.

The bill also updates the authorized uses of the Maryland Strategic Energy Investment Fund (SEIF) to include fuel assistance programs administered by DHS, and clarifies that a significant portion of allowance proceeds credited to the energy assistance account may support both electricity and fuel assistance. MEA respectfully requests an amendment to remove or clarify language that could be interpreted as directing SEIF and allowance proceeds to support fossil fuel consumption, rather than supporting energy affordability in a manner consistent with Maryland's clean energy and greenhouse gas reduction goals.

Specifically, the bill's expansion of SEIF and the energy assistance account to include "fuel assistance" could be read to include fossil fuels without limitation. MEA recommends amending the bill to ensure that any expanded assistance authority is framed as household energy assistance that preserves flexibility for near-term affordability needs, while avoiding statutory direction that prioritizes or entrenches fossil fuel use.

This amendment approach maintains the bill's core purpose of helping Marylanders keep the lights on and homes safely heated, while ensuring SEIF remains aligned with Maryland's clean energy transition and long-term affordability strategy. Programs that reduce energy burden through efficiency

and weatherization are among the most durable forms of bill relief and reduce exposure to volatile fuel prices over time.

For these reasons, MEA respectfully requests a **favorable report with amendments**. Thank you for your consideration. For additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443-842-1780.