

OPPOSE – House Bill 1494

**HB1494 – Electricity and Retail Gas Supply - Customer Choice, Consumer Protection, and Green Power
(Retail Energy Modernization and Consumer Choice Act)**

Environment and Transportation Committee

Tuesday, March 10, 2026

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 293,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Maryland, Ohio, Pennsylvania, New Jersey, New York, and West Virginia.

Unfavorable

Potomac Edison / FirstEnergy requests an Unfavorable report on HB-1494 - *Electricity and Retail Gas Supply - Customer Choice, Consumer Protection, and Green Power (Retail Energy Modernization and Consumer Choice Act)*.

While the goals of expanding customer choice and promoting clean energy are well intentioned, the bill introduces significant operational, billing, metering, and consumer-protection challenges for Potomac Edison.

Potomac Edison / FirstEnergy requests an Unfavorable report on HB-1494 for the following reasons.

First, by reintroducing purchase of receivables (POR) for certain supply products, HB-1494 partially reverses reforms enacted in 2024 under Senate Bill 1. Utilities have already implemented changes for compliance with SB-1's POR prohibition - and reinstating POR now, particularly for just a narrow subset of suppliers, would require significant information technology development investment, parallel payment-posting structures, and added billing complexity. All of these changes would take a significant amount of time and cost a significant amount of money - with no clear evidence that suppliers would ever participate.

Additionally, the bill's broad inclusion of "emissions-reducing products or services" within green power products creates substantial risk for customers and utilities. Non-commodity charges, such as home electrification or maintenance services, should not be tied to utility-issued bills under consolidated billing. If such third-party charges were authorized to appear on utility bills, they must be assigned the lowest payment priority to avoid the possibility of service disconnection for non-payment. HB-1494 also introduces ambiguity in defining green or distributed energy resource (DER) bundled products, creating the potential for billing confusion and consumer harm. Layering on new billing constructs and POR obligations would again require additional system requirements - further increasing costs, operational risk, and administrative burdens on utilities.

Provisions directing expedited interconnection for certain DERs raise fairness concerns by potentially undermining established first-come/first-served queue rules. In addition, the expansion of time-of-use offerings for residential customers may not be easily feasible in Potomac Edison's Maryland service territory as the company lacks widespread usage of smart meters and interval data. Third-party advanced metering infrastructure deployment could not be implemented reliably without major metering and system upgrades, clear tariff alignment, and defined cost-recovery mechanisms. None of this is addressed in the bill, and it would be very costly to implement.

Finally, by exempting certain green or emissions-reducing products or services from SB-1's consumer-protection requirements, HB-1494 risks recreating the very consumer harms that SB-1 was designed to prevent. While the underlying objectives of energy diversification and consumer choice are admirable, HB-1494 would create substantial implementation challenges, introduce operational and billing risks, and weaken key consumer-protection safeguards. Given these concerns, **Potomac Edison / FirstEnergy respectfully urges an Unfavorable report on House Bill 1494.**