



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment and Transportation Committee
FROM: MEA
SUBJECT: HB 974 - Electricity and Gas - Retail Supply (Freedom From Monopolies Act)
DATE: March 6, 2025

MEA Position: UNFAVORABLE

The Maryland Energy Administration respectfully submits this testimony in opposition to House Bill 974.

MEA shares the goal of protecting Maryland ratepayers and ensuring an affordable, reliable energy system. HB 974 would do the opposite by rolling back core consumer protections and transparency requirements that help Marylanders navigate retail energy supply, while also weakening tools the Public Service Commission (PSC) uses to oversee

This bill repeals multiple provisions that are designed to reduce deception and price harm in the residential retail supply market, including guardrails that limit harmful contract structures and marketing practices. The bill's repeals would remove important mechanisms that help customers stay on Standard Offer Service if they choose, reduce aggressive marketing, and provide regular reporting that allows policymakers and the PSC to monitor whether retail choice is benefiting customers.

This bill reduces transparency and weakens oversight of clean energy claims. Marylanders deserve clear, accurate information when purchasing competitive supply, especially products marketed as 'green'. HB 974 repeals and narrows reporting and disclosure-related provisions tied to renewable energy claims and renewable energy credits (RECs), and it would also remove explicit language that customer education function should include "energy choices that help meet the State's climate commitments." This combination risks increasing customer confusion and reducing accountability for products marketed on environmental attributes.

This bill undermines education and enforcement capacity. HB 974 changes the structure and purpose of the customer education fund, renamed in this bill to 'Retail Choice Customer Education and Protection Fund', and narrows the statutory intent and permissible uses of the fund. Additionally, this bill reduces civil penalties, which may weaken deterrence for bad actors. Collectively, these changes risk reducing the PSC's ability to educate customers and enforce rules in a market where strong oversight is essential.

MEA is committed to lowering energy bills and protecting Marylanders. HB 974 would eliminate or weaken multiple consumer safeguards, reduce transparency around retail supply and ‘green’ marketing, and constrain the State’s oversight capacity; increasing the risk of higher costs and harmful practices for residential customers.

For these reasons MEA requests the committee issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443.842.780.