

Testimony in favor of HB 561: Electric Industry - Community Choice Aggregation

Testimony Provided on behalf of the Maryland High School Democrats of America by Leena Rai, Legislative Advocacy Director, Maryland High School Democrats of America; lrai@hsdems.org; 301-250-5646

Hearing Date: Feb 13, 2020

Dear Chairman Davis, Vice Chair Dumais and Members of the Economic Matters Committee:

My name is Leena Rai, and I serve as Legislative Advocacy Director for the Maryland High School Democrats of America. We are the Maryland branch of the youth-run organization, High School Democrats of America, dedicated to promoting youth mobilization and democratic ideals within Maryland policy. We urge the committee to support HB 561, Community Choice Aggregation.

Community Choice Aggregation allows counties, municipalities, or a combination of the two to aggregate the buying power of its residents in choosing an energy supplier. Local governments will be able to negotiate electricity rates, the source of energy generation, and other vital decisions with energy utilities on behalf of consumers and businesses. Simple economics dictates that large buyers of electricity will get the best rates, saving Marylanders' hard-earned money. This policy empowers more communities to make sustainable, responsible choices in purchasing their energy due to the lowered cost.

Currently, almost 90% of Maryland's energy comes from nonrenewable sources. In 2018, this translated to 34.1% from Maryland's singular nuclear plant, 22.9% from coal, and 31.7% from natural gas. Renewable energy accounted for under 12% of Maryland's energy usage. As a state that has seen the destruction of climate change brings first hand through the wreckage of the Chesapeake Bay and devastating flooding of Ellicott City, these numbers are unacceptable. However, it's the responsibility of committees like this one to ensure a fair, just transition off these damaging energy sources. Community Choice Aggregation works to lower the costs of energy to residents to make sustainable options more affordable.

The average monthly residential electricity bill in Maryland is \$129, the fourth highest in the nation. Maryland residents, on average, are paying 20.56% more than the national average every month, and electricity rates are the fifteenth highest in the country. These tremendously high costs are disproportionate to the amount of energy being used as Maryland is ranked 20th in the nation for energy consumption.

Local governments in nine states are successfully using Community Choice Aggregation. The result is cost savings for residents and the majority of these communities have opted for electricity from clean, renewable sources.

As a youth-led organization, climate and environmental injustice is a looming threat to my entire generation. Community Choice Aggregation creates a pathway for a quicker transition to renewable energy sources while making sure no community or household is left behind because of the cost.

Furthermore, community choice aggregation doesn't take anything away from consumers; it only offers more choices. The program is entirely voluntary, so any residents or businesses that do not wish to participate may opt-out.

Not only does this bill take the burden of negotiating prices off the shoulders of Maryland residents, but it supports Maryland's lower-income communities and is a crucial step in the right direction for a just transition to clean energy.

The Maryland High School Democrats of America urge you to vote in favor of HB 561.