



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 13, 2020

Committee: House Economic Matters

Bill: HB 561 – Electric Industry - Community Choice Energy

Position: Support

Reason for Position:

The Maryland Municipal League supports HB 561 which repeals a provision that prohibits a county or municipal corporation from acting as an electric aggregator. This legislation establishes a process by which a county or municipal corporation or group of counties and municipal corporations may become a community choice aggregator and authorizes a community choice aggregator to own an electric generating facility.

Aggregation allows customers to benefit from electric competition by pooling together to negotiate discounted prices. An aggregator would purchase or negotiate the purchase of electricity on behalf of customers. Under the electric deregulation legislation passed in 1999, a county or municipal corporation may not act as an aggregator unless the Public Service Commission (PSC) determines there is not sufficient competition within the boundaries of the county or municipal corporation. This serves essentially as a prohibition against local government aggregation.

HB 730 would allow municipalities to serve as aggregators for their residents. The League believes that a local government aggregation provision may enable residential customers to share in the benefits of a deregulated electric industry.

We therefore respectfully request that this committee report HB 561 favorably.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Candace L. Donoho	Government Relations Specialist
Bill Jorch	Manager, Government Relations & Research
Justin Fiore	Manager, Government Relations

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.mdmunicipal.org