

Committee: Finance

Testimony on: SB 315 - "Electric Industry – Community Choice Energy"

Position: Favorable

Hearing Date: February 25, 2020

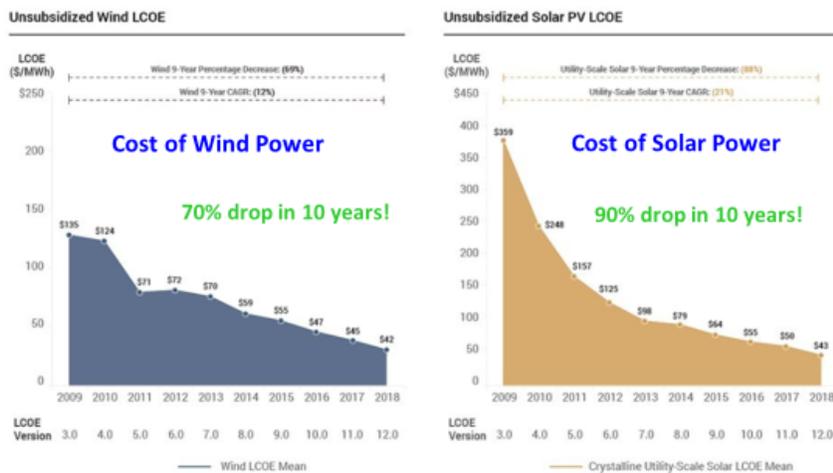
Thank you for allowing our testimony today. We are submitting this testimony as individuals who serve on Montgomery County's clean energy generation technical advisory group. We respectfully ask that you support the Community Choice Energy Act (HB 561 and SB 315) introduced by Delegate Lorig Charkoudian and Senator Pamela Beidle and Senator Brian Feldman. The Community Choice Energy Act will give Maryland communities the power to direct the purchase of their electricity to help us transition rapidly to clean energy while lowering consumer electricity costs.

CCE, also known as "community choice aggregation," allows local governments to pool their electricity load to purchase electricity on behalf of residents, businesses, and municipal accounts within their service area. It also can include communities developing their own electricity. CCE allows communities to control their electricity purchases and more rapidly transition to renewable sources, because customers are automatically enrolled. Local governments can negotiate competitive rates, the source of electricity generation (i.e. type of renewable energy), and other elements with energy utilities on behalf of consumers and businesses. Nationwide, electric rate savings for participating communities average between 2 - 20% depending on the market conditions and power resources. Nine states have passed CCE legislation, However, in Maryland, under current state law, local governments cannot purchase electricity as a group on behalf of residents, businesses, and municipal accounts.

The clean energy generation working group that we serve on has been created by Montgomery County Executive Marc Elrich, to advise the County on how to achieve its ambitious but necessary climate emergency resolution that was enacted unanimously in 2017 (80% reduction in greenhouse gas emissions by 2027; net zero by 2050). We are writing as individuals, not as an official statement from the working group, to inform you that the working group has identified Community Choice Energy as one of the most important tools to enable these greenhouse gas reduction goals to be achieved. We realize that it would be a "game changer" because it changes the default electricity option to clean renewable energy.

One of the barriers to use of renewable energy is that it is often very confusing and difficult for a consumer to figure out how to switch to renewable energy. It is hard to believe that given the choice to opt out of clean energy, consumers would choose more dirty energy. This is especially true because the changed economics of solar energy and battery storage, make it cheaper to have renewable energy. The price of solar energy generation has dropped by 90% in the past decade and the price of wind energy generation has dropped by 70% in the past decade, making these sources less expensive than any other source of energy. The costs of battery storage have also dropped rapidly and recent technological breakthroughs are being commercialized allowing cost effective back up storage for renewable energy.

From the Lazard Study in November, 2018



THE AVERAGE COST OF ELECTRICITY FROM WIND AND SOLAR PLANTS ALL OVER THEIR LIFETIME -- THE LCOE -- HAS CONTINUED TO DROP SHARPLY IN RECENT YEARS. CREDIT: LAZARD.

<https://www.lazard.com/perspective/levelized-cost-of-energy-and-levelized-cost-of-storage-2018/>

2

There is no other policy or technology that would be as effective as CCE to respond to the climate emergency and to meet the County's greenhouse gas reduction goals and to save money for your constituents.

Because energy choice can help advance economic and environmental justice, the bill is also supported by the Maryland Climate Coalition, the NAACP, and the Maryland Consumers Rights Organization.

Thank you very much for your consideration.

David E. Blockstein. Ph.D.
7016 Sycamore Ave.
Takoma Park, MD 20192
Solveclimate2030@gmail.com

Joyce Bailey
Box 103
21730 Beallsville Rd.
Barnesville, MD 20838
Baileyjn52@comcast.net

Lee Bristol
20530 Beallsville Road
Beallsville, MD 20839
leebristol@gmail.com

Christine Pendzich
322 Boyd Avenue

Takoma Park, MD 20912
c.penzich@gmail.com

Miaoru Guan
1410 N Scott St,
Arlington, VA 22209
miaoru.guan@gmail.com

Michael O'Hora
103 Hilltop Rd,
Silver Spring MD, 20910
ohora.mike@gmail.com

Wendy Howard
3601 Adams Drive
Silver Spring MD 20902
wendyh@onemontgomerygreen.org

Armando Gaetaniello
4213 Queensbury Road
Hyattsville MD 20781
armando@neighborhoodsun.solar

Robert Fox
10804 Drawbridge Ct, Silver Spring, MD 20902
rob.env.fox@gmail.com