



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 25, 2020

Committee: Senate Finance

Bill: SB 315 – Electric Industry - Community Choice Energy

Position: Support

Reason for Position:

The Maryland Municipal League supports SB 315 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.

Aggregation allows customers to benefit from electric competition by pooling together to negotiate electric service. If allowed to pool their residents, a municipal aggregator would have a large enough customer base as leverage to negotiate a reasonable price or renewable portfolio for their electric service. 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.

SB 315 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 additional options in the electric industry.

We therefore respectfully request that this committee report SB 315 favorably.

FOR MORE INFORMATION CONTACT:

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