

# Maryland Electric Deregulation



According to the Maryland Public Service Commission, Maryland considered deregulating "to put downward pressure on costs, thus providing consumers with the lowest prices for electricity, to allow all customers to choose their power supplier, to provide incentives for the creation and development of innovative products and services."

The Maryland General Assembly placed several stipulations in the legislation designed to foster competition and maintain a level playing field between the retail suppliers and the local utilities. The providing utility ("Provider") would be required to eliminate their generation plants, either through sale or through transfer to a non-regulated business unit. This would force both the suppliers and the utility to use the wholesale energy market to procure power. BG&E (Baltimore Gas and Electric Company) chose to transfer its generation to Constellation Generation Group. Both BG&E and Constellation Generation Group are subsidiaries of Constellation Energy.

**15%** Your Providing Utility ["*Provider*"] will continue to service your house/home regardless of where you actually obtain your electricity ["*Supplier*"]. In most cases, you will continue to receive the same electric bill each month - just at a substantially lower cost. Your "Provider" (usually one of the following: Allegheny, BG&E, Delmarva, or Pepco) is the utility company whose lines are physically connected to your residence. You will continue to be charged for this connection - normally about 15% of your bill is "Provider" charge(s).

**15%** The Transmission of Electricity across the State of Maryland represents about 15% of your home electric bill - and this is handled by the Public Service Commission which currently has Transmission costs awarded to one company. You have no choice here.

**70%** The Supplier of Electricity represents about 70% of your electric costs. Your electrons can come from one of 28 major suppliers in this nation. They compete for your business. They give lower rates to the largest customers. This is where EMA, L.L.C. saves you money - they represent approximately 100,000 households in Maryland and specifically represent nearly all the "not-for-profit" organizations in the state. EMA, L.L.C. has buying power for YOU.