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**BILL NO.:** **House Bill 1019**  
**Public Service Commission –**  
**Electric Companies and Electric Cooperatives –**  
**Customer Identification**

**COMMITTEE:** **Economic Matters**

**HEARING DATE:** **February 20, 2020**

**SPONSORS:** **Delegate D.E. Davis**

**POSITION:** **Oppose**

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House Bill 1019 would make it easier for a retail gas or electric supplier to execute a transfer of a residential customer from the local utility to the supplier during a door-to-door solicitation. Door-to-door solicitations occur at home, in a mall or big box store, or at a table set up on the sidewalk. The bill would codify a supplier-supported enrollment process referred to by retail electricity and gas suppliers as “Pay with your wallet.” It would allow a supplier to contact a utility and electronically “enroll” the customer with the supplier, without the unique numeric identifiers currently needed to enroll an electric customer. This number is the utility account number or a separate Choice ID Number, and is required in order to effectuate the enrollment (i.e. transfer) of a residential customer from a utility to a supplier. Retail suppliers and trade associations have pushed for this change in Public Service Commission (PSC) proceedings, including in an ongoing

PSC PC44 Workgroup. They have argued that this change will streamline the enrollment of residential customers by retail electric and natural gas suppliers, and make it easier for consumers to sign up. However, the proposal has not won support in the Workgroup and the concept has not been forwarded to the PSC. OPC respectfully opposes the adoption of this approach because it reduces protection for the consumers against unauthorized enrollments. This is of particular concern given the reported incidences of slamming in door-to-door solicitations.

Currently, electric and natural gas utility companies will not process an enrollment submitted by a retail supplier unless the supplier can provide a unique numeric identifier (hereinafter referred to as a "Choice ID#"). The use of these unique identifiers increase the likelihood that the utility's customer has authorized the switch. Choice ID#s are intended to be known only by the utility's account holder of record. The Choice ID# is easily accessible by the bona fide customer of record, as it is included on each utility bill sent to customers. Customers can also easily access this information even without a copy of their bill by using their utility's website or calling the utility's 1-800 number. During PSC workgroup meetings discussing this issue between 2018 and 2019, OPC learned that customers using the website or toll-free phone number could obtain their Choice ID# in as little as 30 to 60 seconds.

Because of the ease with which customers can currently access this information, it is unlikely that a requirement directing utilities to make this information more easily available to suppliers would materially benefit consumers. In fact, OPC believes such a change would actually harm consumers by making unauthorized enrollments (or "slams") more common than they already are. The current requirement that a supplier have a

customer's Choice ID# before enrolling that customer is an important safeguard against unauthorized enrollments, a problem that has been well-documented before the Commission.<sup>1</sup> The current requirement is not foolproof, as there have been instances of certain suppliers obtaining Choice ID#s under false pretenses, such as promises that the customer was eligible for a discounted price from the utility. OPC is also aware of other allegations of unauthorized enrollments made by customers who vehemently maintain they never spoke with a retail supplier and have no idea how the supplier obtained their Choice ID#s. House Bill 1019 would make such unauthorized enrollments even easier, by allowing the transfer of a customer's electricity or gas service without the customer even having to provide a number from the utility bill. Given the frequency of unauthorized enrollments that are currently occurring even with the account number or Choice ID# safeguard in place, OPC would expect the level of unauthorized enrollments to increase if this safeguard were removed.

Separately, OPC has concerns about the type of alternate personally identifiable information, including social security number digits and the account holder's date of birth, that an energy supplier could retrieve, and then retain, from a potential customer. Given that most door-to-door solicitations are conducted by marketing vendors and their agents, this information could be used for purposes beyond legitimate sales of retail electricity or gas service.

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<sup>1</sup> OPC is currently involved in litigation before the PSC regarding four retail electricity and gas suppliers that involve 221 complaints of slamming.

For the foregoing reasons, OPC respectfully recommends as UNFAVORABLE report on House Bill 1019.