

Town of Chevy Chase Climate & Environment Committee Renewable Electricity Guide November 2021

Background

This guide was created to provide information to Town of Chevy Chase residents who want to make the switch to a renewable electricity supplier, or to change renewable energy suppliers.

The purpose of this guide is to provide a quick primer to make it easier to switch to renewable electricity, to know what the TOCC-specific options are, to help save the most money and to reduce fossil fuel use.

We recommend starting with www.MontgomeryEnergyConnection.org – this County managed website was created to link residents with energy savings. Click on the page <https://montgomeryenergyconnection.org/switch-to-clean-energy/> for an overview of your options for residential energy switching, as well as some other topics:

We have listed the following in order from least to most expensive and time consuming:

1. Switch your electricity supply to a Clean Electricity (CE) provider
2. Participate in a Community Solar (CS) program
3. Join a Solar Co-operative
4. Install solar panels yourself or using a contractor
5. Install a geothermal system

High-Level Overview

In the Town of Chevy Chase, PEPCO (owned by Exelon now) is our electricity supplier. By default, you get your delivery *and* supply of electricity from PEPCO. For general PEPCO energy-saving programs go here: <https://www.pepco.com/WaysToSave/ForYourHome/Pages/Maryland.aspx> and if you are looking to purchase energy efficiency devices such as LED bulbs or Smart Thermostat, go here: <https://secure.pepco.com/marketplace/programs/maryland/residential>

First things first: Maryland is an energy choice state where customers can choose their electricity and natural gas providers. Some suppliers regularly offer rates that are 10% or more cheaper than PEPCO rates.

QUICK SUMMARY

When you switch to a Clean Electricity (CE) supplier, you start getting your supply from a CE generation company, but you continue to have PEPCO for delivery & billing. It's really just a

paperwork change that you authorize with the CE provider, then you'll start to see supply charges on your monthly PEPCO bill from the CE company, instead of a supply charge from PEPCO. CE plans come in many different flavors but one of the most popular is a fixed-rate, 1-year, no cancellation fee plan. CE plans are sometimes cheaper than PEPCO, sometimes more expensive. If you do pay a little bit more than PEPCO's rates, you can do it knowing that you're supporting the CE industry (e.g. wind and/or solar) so the electricity grid can be moved to all renewable sources and away from fossil fuel-generated electricity.

If you go with a Community Solar (CS) plan, you pay the CS entity for a certain amount of kilowatt-hours (Kwh) of solar-powered electricity each month and you get a credit against your PEPCO bill (the credit often slightly more than what you paid community solar provider, thus you get a small discount on what you paid the community solar provider, for example, a 5% credit).

As an option, you can sign up for both CE *and* CS plans. In that case, you see monthly CE supply charges *and* a credit for your CS Kwh's on your monthly PEPCO bill + you will pay the CS company directly for the Kwh's you buy. This is a way to support the renewable energy sector to an even greater degree.

We have done the research for you and found that switching with option 1 (CE) is the easiest option – it usually just takes a phone call to get started and you get one bill from PEPCO, and make one payment a month on your PEPCO bill. Option 2 (CS) is also an easy signup process but it does involve paying a separate bill to the CS entity, at least the way it currently works in Maryland.

Options 3-5 can also be good options, but take more time, commitment and upfront personal expense.

DETAILS FOR OPTION 1: Choosing a Clean Energy Supplier instead of PEPCO

For options 1, the Maryland Public Service Commission (MPSC) maintains a website that allows you to compare the various suppliers in Maryland and their plans. Note: the MD website (see Option 1A) has hundreds of options which are not all necessarily certified by Green-e (a trusted global leader in clean energy certification) so Montgomery County recommends choosing a company that is Green-e Certified (see Option 1B).

OPTION 1A: Choose your Supplier (from all choices available through PEPCO in the Town):

1. Go to this website: <https://www.mdelectricchoice.com/>
2. Click on Shop Now
3. Select PEPCO from the pulldown menu
4. Enter your average Kwh (kilowatt-hour) usage from a recent PEPCO bill (not critical to have this 100% accurate but your most recent bill will show you monthly usage for the last 13 months)

5. On the next page of the MD website, you then have a number of choices to make in terms of plan options (you can hit the "?" button to show a brief description of each item):

- Type of Plan (Variable, Fixed, Unlimited)
- Intro Offer (Yes, No) - cheaper initial "teaser" rate but could go up later
- Term Duration (3 mos, 6 mos, etc.) - length of commitment you are making
- Renewable (Yes, No) - set this to Yes
- Monthly Fee (Yes, No) - possibly cheaper per Kwh cost with monthly fee
- Cancellation Fee (Yes, No) - possibly cheaper per Kwh rate with No cancellation

6. Click **Filter Results** and it shows you all the offers that various companies are making. You can then choose a plan or explore all the plans to make your choice, then click **Contact Supplier**.

7. Normally, you would sign up over the phone with the CE provider by giving them your address and your PEPCO account number. They will do the rest.

OPTION 1B: Choose a Green-E Certified Supplier (recommended vs. Option 1A):

1. Go to this website: <https://mygreenmontgomery.org/2019/buying-green-electricity-2/>
2. Choose AEP or Groundswell, review rates & terms, then follow the rest of the signup process

CHOOSING A SUPPLIER (example of signup process so you know ahead of time what's involved):

CleanChoice example: There are many choices and this is not intended as a recommendation, just an illustrative example of what's involved in signing up once you've chosen a supplier; the process will vary slightly from supplier to supplier.

CleanChoice offers both Clean Electricity (CE – Option 1 in this document) and Community Solar (CS – Option 2 in this document) plans.

CE plans (option 1A of 1B) are where you sign up for an alternative, renewable electricity supplier who will typically use Wind, Solar and sometimes other renewable sources. CE plans are considered the easiest alternative and there are lots of supplier options where you can pick the length of time you want to sign up for with no signup or cancellation fees and you can cancel or switch at any time. Not all plans work the same way so it is important to read the details of the plan you want to sign up for. Also, rates per Kilowatt-hour (Kwh) do vary from company to company and from time to time, so you do have to pay attention but you can sometimes (but not always) save money compared to PEPCO and you can sign up for a Fixed Rate plan to limit your rate risk. You will get an annual (or whatever period you signed up for) renewable notice and at that point you can find out what your new rate will be and you can decide whether to continue as is, cancel, or sign up with a different (eg cheaper) CE provider. Even if you're paying a slight premium to PEPCO's rates, you can take comfort in knowing you're supporting the development of the renewable energy sector. Over time, renewable energy has continued to get cheaper and cheaper and once Federal fossil fuel company subsidies are phased out and/or larger carbon taxes are imposed, renewables will have a

significant cost advantage compared to fossil fuels in addition to their obvious environmental benefits.

Community Solar (option 2) is where you sign up on a monthly subscription basis to a particular local solar farm and then you get credits against your electricity bill for the renewable energy provided by the solar farm. They typically (but not always) result in a net savings compared to Pepco rates and they more often have cancellation notice periods and/or cancellation fees. So, you can save money, but there are more details to look into, and local solar farm signups are not always available or may be fully subscribed. For all Maryland Community Solar offerings, <https://cs.solarunitedneighbors.org/states/MD/show> and select PEPCO as your utility. Click on "View Community Solar Subscriptions". As mentioned above, the way CS typically works from a billing standpoint is you pay the CS provider directly (by check or bank transfer) and then you automatically get a credit against your PEPCO bill to offset the amount you paid the CS provider, sometimes with a slightly higher credit amount which basically gives you a discount on the amount you paid the CS provider.

To sign up for CleanChoice Clean Electricity (again, just for example purposes):

1. Go to this website: <https://cleanchoiceenergy.com/>
2. From the menu at the top, select Clean Electricity*
3. Enter your zip code and hit "See Pricing & Plans"
4. Select PEPCO (MD)
5. Then select either Wind & Solar or Solar (all-Solar a bit more expensive as of Aug 2021)
6. Enter first & last name and email address
7. Enter your service address (and mailing address if different than your service address)
8. Enter your PEPCO account # (starts with a 5 and has 11 digits)
9. Enter Finish and you're done. You'll start getting notifications from CleanChoice and your renewable electricity bill will automatically start showing up on your PEPCO bill.

To sign up for CleanChoice Community Solar:

1. Go to this website: <https://cleanchoiceenergy.com/>
2. From the menu at the top, select Community Solar
3. Select Maryland
4. Select PEPCO
5. Enter your name, email, phone and 20815 zip code.

You will then be shown the option(s) for Community Solar for our area including the estimated rate per Kwh (kilowatt-hour), signup period, termination fees and possibly other information. If it's to your liking, you can click to complete the signup process.

If you want to sign up for *both* CE and CS, you have to do both signups and/or it might be easiest to just call the provider (e.g. Clean Choice).

THINGS TO NOTE when signing up for CE or CS plans!

Fixed-Rate vs. Variable Rate: You'll see that you can choose either a fixed rate or variable rate plan. As most of these programs work, the idea is if you pick a fixed rate plan, you reduce the risk of price changes during your signup period (6 months, 1 year, 2 years or whatever) but you'll generally pay a higher rate compared to the variable plan. Most people opt for the fixed rate plan so you have certainty about your rate for a period of time. Those plans will run anywhere from 3 months to sometimes 2 years, with most being 6 months or 1 year duration. You need to remind yourself to revisit the question about 45 days before your term expires, because most suppliers will revert you to variable pricing at the end of your fixed pricing period, which can sometimes be higher than the fixed rate you were paying. You just need to remember to sign up for another fixed-rate plan with that supplier or another better option when the time comes.

Termination or Cancellation Fees: If you pick a plan with a termination fee, you'd normally consider yourself locked in with that supplier until your term ends. As with Fixed vs. Variable tradeoffs, the idea is you can (sometimes) lock in a lower rate with a Termination Fee plan, compared to one with no Termination Fee. Renewable plan rates that are available have tended to tick lower as more suppliers enter the market, but the decrease typically won't be so dramatic over the period of an agreement, so you won't normally incur the termination fee. So, choosing a plan with a better rate and a Termination Fee could be fine for you, or if Termination Fees make you uncomfortable then pick one of the plans without a Termination Fee.

Options 3 – 5: Switching to Alternative Forms of Energy

Options 3-5 involve more than just a paperwork change, as Options 1A, 1B and 2 do. With Solar Co-op (option 3) you join a solar cooperative to get discounts and advice to help you install your own solar panels. General do-it-yourself (or contracted) solar installation (option 4) is another option that's good for someone wanting to make a long-term investment for long-term return. Lastly, installing a geothermal system could be a good option for you if you're willing to invest in such a system, have a compatible property for such and are looking for a somewhat faster payoff than with solar.

For all of the options 3-5, there is good information on <https://montgomeryenergyconnection.org/switch-to-clean-energy/> with more background and to help you get started. Options 3-5 are all good options, for particular people, and do have the net result of reducing the burning of fossil fuels and using solar or geothermal energy instead.