

Maryland RPS Opportunity Update

June 2019



- As part of Maryland Clean Energy Jobs Act (CEJA), RPS rates will be rising significantly for any new contracts signed after 10/1/19.
- Any account that is part of a fully executed contract prior to 10/1/19 is “grandfathered” and the rate increase will not apply to the full term of such contract.
- Financial impact? RPS cost component expected to increase ~ \$3.00 per MWh.
 - Savings apply to the entire term of the contract that is signed prior to 10/1/19.
- Direct Energy solution: offering ability to contract as far as 2027 to qualify for grandfathering.
 - Full pass-through product if not comfortable with a long-term fixed price.
 - Ability to fix energy component (via layers or 100%) at customer discretion.
 - Ability to exit contract with 30 days notice (damages apply only to fixed energy liquidation).

What is the impact on a customer?



Summary of Maryland RPS Requirement					Customer Impact \$/MWh	Potential Cost Avoidance			
Year	Pre-CEJA		New CEJA			Customer usage scenarios (MWh/yr)			
	RPS	Solar	RPS	Solar	1,000	10,000	100,000		
2019	20.40%	1.95%	20.70%	5.50%					
2020	25.00%	2.50%	28.00%	6.00%	\$ 2.41	\$ 2,410	\$ 24,100	\$ 241,000	
2021	25.00%	2.50%	30.80%	7.50%	\$ 3.11	\$ 3,110	\$ 31,100	\$ 311,000	
2022	25.00%	2.50%	33.10%	8.50%	\$ 2.87	\$ 2,870	\$ 28,700	\$ 287,000	
2023	25.00%	2.50%	35.40%	9.50%	\$ 3.19	\$ 3,190	\$ 31,900	\$ 319,000	
2024	25.00%	2.50%	37.70%	10.50%	\$ 2.92	\$ 2,920	\$ 29,200	\$ 292,000	
2025	25.00%	2.50%	40.00%	11.50%	\$ 2.85	\$ 2,850	\$ 28,500	\$ 285,000	
2026	25.00%	2.50%	42.50%	12.50%	\$ 3.06	\$ 3,060	\$ 30,600	\$ 306,000	
2027	25.00%	2.50%	45.50%	13.50%	\$ 3.35	\$ 3,350	\$ 33,500	\$ 335,000	
Potential Cost Avoidance						\$ 23,760	\$ 237,600	\$ 2,376,000	

Energy Professionals, an official Direct Energy partner, can perform a customized analysis for you in order to propose an appropriate solution.

Who To Contact



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