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## As electric rates soar, co-op decides to extend services

Baltimore Business Journal - by [Sue Schultz](#) Staff

The **Chestnut Ridge Country Club** hasn't seen an electric rate hike in nearly three years. But the cushy deal that kept its rates low was set to expire in May -- just in time to feel the heat of a **Baltimore Gas & Electric Co.** increase.

But the Pikesville Chamber of Commerce, where the Lutherville country club and 200 other Maryland businesses secured the rate through an electric cooperative in 2005, said it will extend energy savings services through 2011 and offer the fixed prices to more businesses.

"It's really a no-brainer," said Steve Radziminski, comptroller of the Chestnut Ridge Country Club about renewing its contract through the Pikesville cooperative. "Our costs have stayed where they were at over the last few years while others were seeing rates going up. It made sense to tie in."

Radziminski said the club has paid 6.6 cents per kilowatt hour since 2005, when other businesses have paid about 10 cents per kilowatt hour through similar rates offered by **Baltimore Gas and Electric Co.** When the club learned BGE rates were slated to go from 10.5 cents per kilowatt hour to 13 cents per kilowatt hour by May, they signed a new contract with the cooperative for a new 9.9 cents per kilowatt hour rate.

The organization also is bidding a new contract for another electric cooperative that would start in May. The new service could attract as many as 100 businesses.

Ratepayers in Maryland have faced skyrocketing energy prices, including a nearly 72 percent hike in residential rates over the past two years. Rate caps for residential BGE customers expired last summer sending rates soaring to market levels.

Electric rates for small businesses started to climb by 2004. BGE rates went up about 1.5 cents per kilowatt hour that year, which added about \$32 a month to a business' electric bill.

Feeling the squeeze on their bottom lines, businesses teamed up to get a better deal.

The **Maryland Retailers Association** offered members a fixed rate in 2003 through a



Nicholas Griner | Staff

Steve Radziminski, of Chestnut Ridge Country Club, said the Lutherville business has managed to keep its electric rates steady by joining a cooperative.

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cooperative. Officials said they have seen an increase in the number of businesses signing up and that could see an average savings of about 25 percent.

The Pikesville Chamber's first contract with Connecticut-based Select Energy, later bought by **Hess Corp.**, lasted three years, said Sherrie Becker, executive director of the organization.

She said the group has extended the contract with **Washington Gas Energy Services** for a rate of about 9.9 cents per kilowatt hour.

The cooperatives are open to any business in Maryland. To join, businesses pay a \$250 fee. For each year of the contract, they also pay \$200 for a membership with the chamber. For a three-year contract, businesses pay \$850 in fees not including the costs of their electric bills.

It's a cost **Jenkins Block & Associates**, a law firm in downtown Baltimore doesn't mind paying. Nearly 15 miles south of Pikesville, the company had no need for a chamber membership, but said the energy savings is worth it.

"We haven't calculated the actual savings out over the last three years, but we know we are paying less than we would with BGE," said Roz Goldheim, the firm's comptroller. "With energy doing nothing but going up, up, up, that was enough for me to renew."

Becker said the program also has helped the organization recruit new members. She said since 2005, the organization has gained about 50 new members.

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