

SENATE BILL 236

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HB 478/98 - ENV

1999 Regular Session
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By: **Senators Kelley, Astle, Bromwell, Hafer, Madden, Hooper, McFadden,
Exum, Hughes, Teitelbaum, Mitchell, Colburn, Sfikas, and Conway**

Introduced and read first time: February 3, 1999

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 19, 1999

CHAPTER _____

1 AN ACT concerning

2 **Steam Heating Companies**

3 FOR the purpose of eliminating the jurisdiction of the Public Service Commission
4 over steam heating companies; providing that a steam heating company is an
5 "owner" for purposes of certain underground utility provisions; requiring a
6 steam heating company to abide by a certain rate structure for a certain period;
7 requiring a steam heating company to maintain service to certain customers for
8 a certain period; requiring certain notice to certain persons; authorizing certain
9 customers to file a complaint with the Office of the Attorney General, Division of
10 Consumer Protection, for certain violations; requiring the Division to investigate
11 certain allegations and proceed in accordance with certain provisions of law;
12 providing that a violation of certain provisions of this Act shall be considered a
13 violation under certain other provisions of law; and generally relating to steam
14 heating companies.

15 BY repealing and reenacting, with amendments,
16 Article - Public Utility Companies
17 Section 1-101(p), 4-401, 4-402(a) and (b), 6-202(b), and 12-101(f)
18 Annotated Code of Maryland
19 (1998 Volume)

20 BY repealing
21 Article - Public Utility Companies
22 Section 1-101(w)
23 Annotated Code of Maryland
24 (1998 Volume)

1 BY renumbering
2 Article - Public Utility Companies
3 Section 1-101(x) through (gg), respectively
4 to be Section 1-101(w) through (ff), respectively
5 Annotated Code of Maryland
6 (1998 Volume)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article - Public Utility Companies**

10 1-101.

11 (p) "Public service company" means a common carrier company, electric
12 company, gas company, sewage disposal company, [steam heating company,]
13 telegraph company, telephone company, water company, or any combination of public
14 service companies.

15 [(w) "Steam heating company" means a public service company that
16 manufactures, sells, or distributes steam for use, sale, or distribution.]

17 4-401.

18 As it considers necessary, and in accordance with the requirements of §§ 4-402
19 and 4-403 of this subtitle, the Commission may allow a gas company[,] OR electric
20 company[, or steam heating company] to establish a sliding scale to adjust costs of its
21 fuel, purchased power, or purchased gas.

22 4-402.

23 (a) (1) This section applies to:

24 (i) the electric fuel rate adjustment clause of each electric company
25 that is not subject to § 4-403 of this subtitle;

26 (ii) [the fuel rate adjustment clause of a steam heating company;

27 (iii)] purchased power adjustment clauses; and

28 [(iv)] (III) purchased gas adjustment clauses.

29 (2) This section does not apply to a small rural electric cooperative.

30 (b) A [steam heating company,] gas company[,] or electric company that
31 directly passes on to its customers changes in fuel costs, costs of purchased power, or
32 costs of purchased gas shall verify and justify the adjusted costs to the Commission
33 each month.

1 6-202.

2 (b) Two public service companies are of the same class, if they are both:

- 3 (1) common carrier companies;
- 4 (2) electric companies;
- 5 (3) gas companies;
- 6 (4) gas and electric companies;
- 7 (5) sewage disposal companies;
- 8 (6) [steam heating companies;
- 9 (7)] telegraph companies;
- 10 [(8)] (7) telephone companies; or
- 11 [(9)] (8) water companies.

12 12-101.

13 (f) (1) "Owner" means a person that:

- 14 (i) owns or operates an underground facility; and
- 15 (ii) has the right to bury an underground facility.

16 (2) "Owner" includes:

- 17 (i) a public utility;
- 18 (ii) a telecommunications corporation;
- 19 (iii) a cable television corporation;
- 20 (iv) a political subdivision;
- 21 (v) a municipal corporation;
- 22 (VI) A STEAM HEATING COMPANY; and
- 23 [(vi)] (VII) an authority.

24 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 1-101(x)
25 through (gg), respectively, of Article - Public Utility Companies of the Annotated Code
26 of Maryland be renumbered to be Section(s) 1-101(w) through (ff), respectively.

27 SECTION 3. AND BE IT FURTHER ENACTED, That notwithstanding the
28 provisions of Section 1 of this Act:

1 (1) until October 1, 2002, a steam heating company that was subject to
2 regulation by the Public Service Commission as of September 30, 1999 shall:

3 (i) be bound by any rate structure that was in effect for the
4 company on September 30, 1999, unless a change in the rate structure would decrease
5 rates; and

6 (ii) maintain service to its customers, unless:

7 A. the customer chooses not to be served; or

8 B. the customer fails to comply with the terms of the service
9 agreement in place on September 30, 1999;

10 (2) on or before December 1, 1999, steam heating company that ceases to
11 be a regulated public service company under this Act shall notify its customers of the
12 provisions and effect of this Act, and of the continuing effect of subsection (1) of this
13 section; and

14 (3) a customer who is subjected to a violation of subsection (1) of this
15 section may file a written complaint with the Office of the Attorney General, Division
16 of Consumer Protection. After the filing of a complaint, the Division shall investigate
17 the allegations to ascertain the issues and facts, and proceed in accordance with §§
18 13-401 through 13-409 of the Commercial law Article. For the purpose of enforcing
19 subsection (1) of this section, a violation of subsection (1) of this section shall be
20 considered a violation under Title 13 of the Commercial law Article.

21 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect October 1, 1999.