

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1022 (Delegates Klausmeier and Boutin)
Environmental Matters

Electric Companies - Separation of Regulated and Nonregulated Businesses

This bill requires the Public Service Commission, on or before July 1, 2001, to require the functional, operational, structural, *and* legal separation between an electric company's regulated businesses and its nonregulated businesses or nonregulated affiliates. This would result in the legal separation of an electric company's regulated businesses and its nonregulated businesses or nonregulated affiliates.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: By July 1, 2000, the Public Service Commission (PSC) must require the functional, operational, structural, *or* legal separation of regulated businesses and unregulated businesses and affiliates of electric companies. The PSC established parameters for functional, structural, operational, or legal separation of regulated and unregulated businesses as part of Order 76292 issued on July 1, 2000. Because legal separation is not required, depending on the specific circumstances varying levels of sharing of employees and assets between regulated and unregulated businesses was permitted by the PSC.

Additional Information

Prior Introductions: None.

Cross File: SB 777 (Senator Collins) – Finance.

Information Source(s): Public Service Commission, Office of the People’s Counsel,
Department of Legislative Services

Fiscal Note History: First Reader – March 2, 2001
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