

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

Senate Bill 77 (Senator Green)

Finance

Environmental Matters

Retail Electric and Gas Industries - Aggregators - Counties and Municipal
Corporations

This bill repeals the prohibition against a county or municipal corporation acting as an aggregator that purchases electricity on behalf of consumers. It provides instead that a county or municipality may act as an aggregator only on behalf of customers located within the boundaries of the county or municipality. A combination of two or more counties or municipalities may also act as an aggregator.

The bill takes effect June 1, 2001.

Fiscal Summary

State Effect: The bill would not significantly impact State operations or finances.

Local Effect: The bill is not expected to have a net effect on revenues or expenditures for counties or municipalities that choose to become aggregators.

Small Business Effect: Potential minimal.

Analysis

Current Law: A county or municipal corporation may not act as an aggregator unless the Public Service Commission (PSC) determines there is not sufficient competition within the boundaries of the county or municipal corporation.

Background: Aggregation allows customers to benefit from electric competition by pooling together to negotiate discounted prices.

State Fiscal Effect: The PSC could handle any additional work resulting from the bill using existing budgeted resources.

Local Fiscal Effect: The bill is enabling in nature and is not expected to have a net effect on expenditures or revenues for counties or municipalities that choose to become aggregators. It is expected that aggregation would generally be performed on a cost-recovery basis.

Additional Information

Prior Introductions: This bill was introduced as SB 66 in 2000. It was not reported from the Senate Finance Committee.

Cross File: None.

Information Source(s): Public Service Commission; Howard, Calvert, Montgomery, and Prince George's counties; Baltimore City, Department of Legislative Services

Fiscal Note History: First Reader – January 24, 2001
jm/jr Revised – Senate Third Reader – March 21, 2001

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