

SENATE BILL 620

Unofficial Copy  
C5

2002 Regular Session  
2lr2520

---

By: **Senator Bromwell**  
Introduced and read first time: February 1, 2002  
Assigned to: Finance

---

Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 13, 2002

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public Service Commission - Public Utility Regulation Fund and Filing Fees**

3 FOR the purpose of establishing a Public Utility Regulation Fund; providing for the  
4 purpose and administration of the fund; specifying which revenue is to go into  
5 the fund; requiring the Public Service Commission to pay certain moneys to the  
6 General Fund of the State; providing that the fund is a special, nonlapsing fund;  
7 requiring the Commission to pay certain moneys collected from certain  
8 assessments into the fund; specifying that the estimate used to determine the  
9 assessment shall include certain expenses and costs of the Office of People's  
10 Counsel; providing that the Commission may charge reasonable and  
11 nondiscriminatory fees for the filing of certain documents with the Commission;  
12 specifying the method for determining the amount of a certain fee; requiring the  
13 Commission to waive a certain fee for a governmental unit; allowing the  
14 Commission to waive a certain fee when it is in the public interest; specifying  
15 that a document for which a filing fee is required is not considered filed until the  
16 fee has been paid; and generally relating to the Public Utility Regulation Fund  
17 and Commission filing fees.

18 BY repealing and reenacting, with amendments,  
19 Article - Public Utility Companies  
20 Section 2-110(b) and (c)  
21 Annotated Code of Maryland  
22 (1998 Volume and 2001 Supplement)

23 BY adding to  
24 Article - Public Utility Companies  
25 Section 2-110.1 and 2-123

1 Annotated Code of Maryland  
2 (1998 Volume and 2001 Supplement)

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

5 **Article - Public Utility Companies**

6 2-110.

7 (b) (1) ~~{(i)}~~ ~~Subject to paragraphs (2) and (3) of this subsection, the~~ THE  
8 costs and expenses of the Commission and the Office of People's Counsel shall be  
9 borne by the public service companies that are subject to the Commission's  
10 jurisdiction.

11 ~~{(i)}~~ (2) The costs and expenses shall be assessed as provided in  
12 this section.

13 ~~{(2)}~~ (3) [An appropriation for the costs and expenses of the Commission  
14 and the Office of People's Counsel shall be included in the State budget and paid from  
15 the State treasury.

16 (3) The State treasury shall be reimbursed from the money collected  
17 under this section for the costs and expenses of the Commission and the Office of  
18 People's Counsel] THE COMMISSION SHALL PAY THE MONEY THAT IT COLLECTS FOR  
19 THE ASSESSMENT UNDER THIS SECTION INTO THE PUBLIC UTILITY REGULATION  
20 FUND IN THE STATE TREASURY ESTABLISHED UNDER § 2-110.1 OF THIS SUBTITLE TO  
21 REIMBURSE THE STATE FOR THE EXPENSE OF ADMINISTERING THIS TITLE.

22 (c) (1) (i) Before each State fiscal year, the Chairman of the Commission  
23 shall estimate the Commission's total costs and expenses, including:

24 1. the compensation and expenses of the Commission, its  
25 officers, agents, and personnel;

26 2. the cost of retirement contributions, Social Security,  
27 health insurance, and other benefits required to be paid by the State for the personnel  
28 of the Commission;

29 3. all other maintenance and operation expenses OF THE  
30 COMMISSION; and

31 4. all other direct and indirect costs OF THE COMMISSION.

32 (ii) The estimate shall exclude the [costs of maintaining testing  
33 equipment reimbursable under § 2-111(a) of this subtitle] EXPENSES ASSOCIATED  
34 WITH SERVICES PERFORMED BY THE COMMISSION FOR WHICH THE COMMISSION IS  
35 REIMBURSED UNDER THIS ARTICLE.

1 (III) THE ESTIMATE SHALL INCLUDE, AS PROVIDED BY THE OFFICE  
2 OF PEOPLE'S COUNSEL;

3 1. THE COMPENSATION AND EXPENSES OF THE OFFICE OF  
4 PEOPLE'S COUNSEL, ITS OFFICERS, AGENTS, AND PERSONNEL;

5 2. THE COST OF RETIREMENT CONTRIBUTIONS, SOCIAL  
6 SECURITY, HEALTH INSURANCE, AND OTHER BENEFITS REQUIRED TO BE PAID BY  
7 THE STATE FOR THE PERSONNEL OF THE OFFICE OF PEOPLE'S COUNSEL;

8 3. ALL OTHER MAINTENANCE AND OPERATION EXPENSES  
9 OF THE OFFICE OF PEOPLE'S COUNSEL; AND

10 4. ALL OTHER DIRECT AND INDIRECT COSTS OF THE OFFICE  
11 OF PEOPLE'S COUNSEL.

12 (2) Based on the estimate, the Chairman shall determine the amount to  
13 be paid by each public service company.

14 (3) The Commission shall send a bill to each public service company on  
15 or before May 1st of each year.

16 (4) The bill shall equal the product of:

17 (i) the estimated total costs and expenses of the Commission AND  
18 THE OFFICE OF PEOPLE'S COUNSEL during the next fiscal year; multiplied by

19 (ii) the ratio of the gross operating revenues for the public service  
20 company derived from intrastate utility and electricity supplier operations in the  
21 preceding calendar year, or other 12-month period as the Chairman determines, to  
22 the total of the gross operating revenues derived from intrastate utility and electricity  
23 supplier operations for all public service companies that are billed under this section  
24 over that period.

25 (5) The minimum bill for a public service company shall be \$10.

26 (6) The public service company:

27 (i) shall pay the bill on or before the next July 15th; or

28 (ii) may elect to make partial payments on the 15th days of July,  
29 October, January, and April.

30 (7) A partial payment shall equal 25% of the bill and may not be less  
31 than \$10.

32 (8) During any State fiscal year, the Chairman may change the estimate  
33 of costs and expenses of the Commission AND, AS PROVIDED BY THE OFFICE OF  
34 PEOPLE'S COUNSEL, THE ESTIMATE OF COSTS AND EXPENSES OF THE OFFICE OF  
35 PEOPLE'S COUNSEL.

1           (9)    (i)    If the estimate is changed, the Commission shall send a revised  
2 bill to each public service company that has elected to make partial payments.

3                   (ii)    The change shall be apportioned equally against the remaining  
4 payments for the fiscal year.

5           (10)   (i)    On or before September 15th of each year, the Chairman shall  
6 compute the actual costs and expenses of the Commission AND, AS PROVIDED BY THE  
7 OFFICE OF PEOPLE'S COUNSEL, THE ACTUAL COSTS AND EXPENSES OF THE OFFICE  
8 OF PEOPLE'S COUNSEL for the preceding fiscal year.

9                   (ii)    After deducting the amounts recovered under [§ 2-111(a)] §§  
10 2-111(A) AND 2-123 of this subtitle, on or before October 15th, the Chairman shall  
11 send to any public service company that is affected a statement that shows the  
12 amount due or the amount to the credit of the public service company.

13           (11)   (i)    A public service company shall pay an amount due within 30  
14 days after the statement is received.

15                   (ii)    [At the option of the public service company, an] AN amount to  
16 the credit of a public service company shall be [refunded or] applied against any  
17 succeeding payment due.

18           (12)   The total amount that may be charged to a public service company  
19 under this section for a State fiscal year may not exceed:

20                   (i)    0.17% of the public service company's gross operating revenues  
21 derived from intrastate utility and electricity supplier's operations in the preceding  
22 calendar year, or other 12-month period that the Chairman determines, for the costs  
23 and expenses of the Commission other than that of the Office of People's Counsel;  
24 plus

25                   (ii)    0.05% of those revenues for the costs and expenses of the Office  
26 of People's Counsel.

27 2-110.1.

28       (A)    THERE IS A PUBLIC UTILITY REGULATION FUND.

29       (B)    THE FUND CONSISTS OF:

30           (1)    ALL REVENUE RECEIVED THROUGH THE IMPOSITION AND  
31 COLLECTION OF THE ASSESSMENT UNDER § 2-110 OF THIS SUBTITLE;

32           (2)    FEES RECEIVED BY THE COMMISSION UNDER § 2-123 OF THIS  
33 SUBTITLE FOR FILINGS OR OTHER SERVICES RENDERED BY THE COMMISSION;

34           (3)    INCOME FROM INVESTMENTS THAT THE STATE TREASURER MAKES  
35 FOR THE FUND; AND

1 (4) ANY OTHER FEE, EXAMINATION ASSESSMENT, OR REVENUE  
2 RECEIVED BY THE COMMISSION UNDER THIS ARTICLE.

3 (C) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, THE COMMISSION  
4 SHALL PAY ALL FINES AND PENALTIES COLLECTED BY THE COMMISSION UNDER  
5 THIS ARTICLE INTO THE GENERAL FUND OF THE STATE.

6 (D) THE PURPOSE OF THE FUND IS TO PAY ALL THE COSTS AND EXPENSES  
7 INCURRED BY THE COMMISSION AND THE OFFICE OF ~~THE~~ PEOPLE'S COUNSEL THAT  
8 ARE RELATED TO THE OPERATION OF THE COMMISSION AND THE OFFICE OF  
9 PEOPLE'S COUNSEL, INCLUDING:

10 (1) EXPENDITURES AUTHORIZED UNDER THIS ARTICLE; AND

11 (2) ANY OTHER EXPENSE AUTHORIZED IN THE STATE BUDGET.

12 (E) (1) ALL THE COSTS AND EXPENSES OF THE COMMISSION AND THE  
13 OFFICE OF ~~THE~~ PEOPLE'S COUNSEL SHALL BE INCLUDED IN THE STATE BUDGET.

14 (2) EXPENDITURES FROM THE FUND TO COVER COSTS AND EXPENSES  
15 OF THE COMMISSION AND OFFICE OF ~~THE~~ PEOPLE'S COUNSEL MAY ONLY BE MADE:

16 (I) WITH AN APPROPRIATION FROM THE FUND APPROVED BY THE  
17 GENERAL ASSEMBLY IN THE STATE BUDGET; OR

18 (II) BY THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR IN §  
19 7-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

20 ~~(3) (I) IF, IN ANY FISCAL YEAR, THE AMOUNT OF THE REVENUE  
21 COLLECTED BY THE COMMISSION AND DEPOSITED INTO THE FUND EXCEEDS THE  
22 ACTUAL APPROPRIATION FOR THE COMMISSION AND THE OFFICE OF THE PEOPLE'S  
23 COUNSEL, THE EXCESS AMOUNT SHALL BE CARRIED FORWARD IN THE FUND FOR  
24 THE PURPOSE OF REDUCING THE ASSESSMENT IMPOSED BY THE COMMISSION FOR  
25 THE FOLLOWING FISCAL YEAR.~~

26 ~~(II) IF, IN ANY FISCAL YEAR, THE AMOUNT OF REVENUE  
27 COLLECTED BY THE COMMISSION AND DEPOSITED INTO THE FUND IS INSUFFICIENT  
28 TO COVER THE EXPENDITURES OF THE COMMISSION AND THE OFFICE OF THE  
29 PEOPLE'S COUNSEL BECAUSE OF AN UNFORESEEN EMERGENCY AND EXPENDITURES  
30 ARE MADE BY THE BUDGET AMENDMENT UNDER § 7-209 OF THE STATE FINANCE  
31 AND PROCUREMENT ARTICLE, AN ADDITIONAL ASSESSMENT FOR THE  
32 EXPENDITURES MAY BE MADE.~~

33 (F) (1) THE STATE TREASURER IS THE CUSTODIAN OF THE FUND.

34 (2) THE STATE TREASURER SHALL DEPOSIT PAYMENTS RECEIVED FROM  
35 THE COMMISSION INTO THE FUND.

1 (G) (1) THE FUND IS A CONTINUING, SPECIAL, NONLAPSING FUND THAT IS  
2 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, AND  
3 MAY NOT BE CONSIDERED A PART OF THE GENERAL FUND OF THE STATE.

4 (2) UNLESS OTHERWISE PROVIDED BY LAW, NO PART OF THE FUND MAY  
5 REVERT OR BE CREDITED TO:

6 (I) THE GENERAL FUND OF THE STATE; OR

7 (II) ANY OTHER SPECIAL FUND OF THE STATE.

8 2-123.

9 (A) IN ACCORDANCE WITH THIS SECTION, THE COMMISSION MAY CHARGE  
10 REASONABLE AND NONDISCRIMINATORY FEES FOR THE FILING OF DOCUMENTS  
11 WITH THE COMMISSION AND FOR OTHER SERVICES PERFORMED BY THE  
12 COMMISSION.

13 (B) THE ACTIONS THAT MAY BE SUBJECT TO A FEE INCLUDE:

14 (1) AN INITIAL TARIFF OR TARIFF CHANGE;

15 (2) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY;

16 (3) AN APPLICATION TO PROVIDE OR ABANDON SERVICE;

17 (4) A PREPARATION OF ANY RECORD IN APPEAL;

18 (5) A CERTIFICATION OF ANY DOCUMENT;

19 (6) AN APPLICATION OR PETITION TO INCREASE OR DECREASE RATES;

20 (7) AN ANNUAL REPORT;

21 (8) A COPY OF PAPERS, TESTIMONY, MICROFICHE, RECORDS, AND  
22 COMPUTER PRINTOUTS; AND

23 (9) ANY OTHER FILING OR SERVICE THAT THE COMMISSION  
24 REASONABLY DETERMINES.

25 (C) (1) IN DETERMINING THE AMOUNT OF A FEE TO BE CHARGED FOR A  
26 FILING OR OTHER SERVICE PERFORMED BY THE COMMISSION, THE COMMISSION  
27 SHALL CONSIDER THE ESTIMATED EXPENSE ASSOCIATED WITH THE FILING OR  
28 OTHER SERVICE.

29 (2) (I) THE COMMISSION SHALL WAIVE A FEE CHARGED UNDER THIS  
30 SECTION FOR A FILING BY A STATE GOVERNMENT UNIT OR OTHER SERVICE  
31 PERFORMED BY THE COMMISSION FOR A STATE GOVERNMENT UNIT.

32 (II) THE COMMISSION MAY WAIVE A FEE CHARGED UNDER THIS  
33 SECTION WHEN IT IS IN THE PUBLIC INTEREST.

1 (D) A DOCUMENT FOR WHICH A FILING FEE IS REQUIRED SHALL BE  
2 RECEIVED, BUT MAY NOT BE CONSIDERED FILED UNTIL THE FILING FEE HAS BEEN  
3 PAID.

4 (E) THE COMMISSION SHALL DEPOSIT ALL FEES COLLECTED UNDER THIS  
5 SECTION IN THE PUBLIC UTILITY REGULATION FUND.

6 (F) THE COMMISSION SHALL ADOPT REGULATIONS TO SET REASONABLE AND  
7 NONDISCRIMINATORY FEES FOR FILING AND OTHER SERVICES PERFORMED BY THE  
8 COMMISSION.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 ~~October~~ June 1, 2002.