

# HOUSE BILL 608

C5

EMERGENCY BILL

8lr1443  
CF SB 417

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By: **Delegates Kelly, Bartlett, Beidle, Beitzel, Conaway, DeBoy, Dwyer, Eckardt, Elliott, Elmore, Frank, George, Jennings, Kipke, McComas, McDonough, McKee, Myers, Norman, O'Donnell, Riley, Schuh, Shank, Smigiel, Sophocleus, Sossi, Stull, ~~and Weldon~~ Weldon, Hecht, Manno, Mathias, and Taylor**

Introduced and read first time: January 31, 2008

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2008

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public Service Commission – Energy Efficiency and Conservation Programs**  
3 **and Services – ~~Prohibition of Surcharge Without Customer Consent~~**  
4 **Notification and Report**

5 FOR the purpose of ~~prohibiting the Public Service Commission from approving any~~  
6 ~~program or service for the use and conservation of energy that requires or~~  
7 ~~allows a gas company or an electric company to provide a product or service to a~~  
8 ~~gas customer or an electric customer for which the customer would be charged a~~  
9 ~~surcharge without a certain consent; requiring a gas company or an electric~~  
10 ~~company under certain circumstances to separately state a certain surcharge~~  
11 ~~and clearly describe the purpose of the surcharge on a customer's bill; requiring,~~  
12 ~~under certain circumstances, a gas company or an electric company to refund~~  
13 ~~the amount of the surcharge or credit the amount of the surcharge; requiring~~  
14 electric companies and gas companies to provide certain customers with notice  
15 of certain energy efficiency and conservation charges and benefits in a certain  
16 manner with a certain frequency; requiring the Public Service Commission to  
17 report to the General Assembly on the status of certain energy efficiency and  
18 conservation programs on certain dates; making a stylistic change; making this  
19 Act an emergency measure; and generally relating to energy efficiency and  
20 conservation programs and services approved by the Public Service  
21 Commission.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,  
 2 Article – Public Utility Companies  
 3 Section 7–211  
 4 Annotated Code of Maryland  
 5 (1998 Volume and 2007 Supplement)

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

8 **Article – Public Utility Companies**

9 7–211.

10 (a) Subject to review and approval by the Commission, each gas company  
 11 and electric company shall develop and implement programs and services to encourage  
 12 and promote the efficient use and conservation of energy by consumers, gas  
 13 companies, and electric companies.

14 (b) The Commission shall:

15 (1) require each gas company and electric company to establish any  
 16 program or service that the Commission deems appropriate and cost effective to  
 17 encourage and promote the efficient use and conservation of energy;

18 (2) adopt rate-making policies that provide cost recovery and, in  
 19 appropriate circumstances, reasonable financial incentives for gas companies and  
 20 electric companies to establish programs and services that encourage and promote the  
 21 efficient use and conservation of energy; and

22 (3) ensure that adoption of electric customer choice under Subtitle 5 of  
 23 this title does not adversely impact the continuation of cost effective energy  
 24 conservation and efficiency programs.

25 (c) ~~(1) THE COMMISSION MAY NOT APPROVE ANY PROGRAM OR~~  
 26 ~~SERVICE FOR THE USE AND CONSERVATION OF ENERGY THAT REQUIRES OR~~  
 27 ~~ALLOWS A GAS COMPANY OR AN ELECTRIC COMPANY TO PROVIDE, DIRECTLY OR~~  
 28 ~~INDIRECTLY, A PRODUCT OR A SERVICE TO A GAS CUSTOMER OR AN ELECTRIC~~  
 29 ~~CUSTOMER FOR WHICH THE CUSTOMER WOULD BE ASSESSED A SURCHARGE ON~~  
 30 ~~THE CUSTOMER'S GAS BILL OR ELECTRIC BILL WITHOUT THE PRIOR WRITTEN~~  
 31 ~~CONSENT OF THE CUSTOMER.~~

32 ~~(2) IF A CUSTOMER CONSENTS TO A SURCHARGE FOR A PRODUCT~~  
 33 ~~OR A SERVICE FOR THE USE AND CONSERVATION OF ENERGY, THE GAS~~  
 34 ~~COMPANY OR THE ELECTRIC COMPANY SHALL, ON THE CUSTOMER'S BILL:~~

35 ~~(i) SEPARATELY STATE THE SURCHARGE; AND~~

1 ~~(H) CLEARLY DESCRIBE THE PURPOSE OF THE SURCHARGE~~  
 2 AT LEAST ONCE EACH YEAR, EACH ELECTRIC COMPANY AND GAS COMPANY  
 3 SHALL NOTIFY AFFECTED CUSTOMERS OF THE ENERGY EFFICIENCY AND  
 4 CONSERVATION CHARGES IMPOSED AND BENEFITS CONFERRED BY:

5 (1) PUBLICATION ON THE COMPANY'S WEBSITE; AND

6 (2) INCLUSION WITH BILLING INFORMATION SUCH AS A BILL  
 7 INSERT OR BILL MESSAGE.

8 [(c)] (D) (1) On or before February 1, ~~2001~~ **2009, AND EVERY 2 YEARS**  
 9 **THEREAFTER**, the Commission, in consultation with the Maryland Energy  
 10 Administration, shall report, ~~subject to~~ IN ACCORDANCE WITH §  
 11 2-1246 of the State Government Article, to the General Assembly on:

12 (i) the status of programs and services to encourage and  
 13 promote the efficient use and conservation of energy; and

14 (ii) a recommendation for the appropriate funding level to  
 15 adequately fund these programs and services.

16 (2) In determining whether a program or service encourages and  
 17 promotes the efficient use and conservation of energy, the Commission shall consider,  
 18 among other factors:

19 (i) the impact on jobs;

20 (ii) the impact on the environment;

21 (iii) the impact on rates; and

22 (iv) the cost-effectiveness.

23 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, if on or after September~~  
 24 ~~1, 2007, a gas company or an electric company has collected any surcharge for a~~  
 25 ~~product or a service for the use and conservation of energy without the prior written~~  
 26 ~~consent of the customer surcharged, the gas company or the electric company shall~~  
 27 ~~refund the amount of the surcharge to the customer or credit the amount of the~~  
 28 ~~surcharge to the customer's account.~~

29 SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act is an  
 30 emergency measure, is necessary for the immediate preservation of the public health  
 31 or safety, has been passed by a ye and nay vote supported by three-fifths of all the  
 32 members elected to each of the two Houses of the General Assembly, and shall take  
 33 effect from the date it is enacted.