

# HOUSE BILL 597

C5  
HB 1372/10 – ECM

11r0309  
CF SB 244

---

By: **Delegate Davis**

Introduced and read first time: February 9, 2011

Assigned to: Economic Matters

---

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 16, 2011

---

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

1 AN ACT concerning

2 **Public Service Commission – Customer Education on Customer Choice**

3 FOR the purpose of requiring the Public Service Commission to educate consumers  
4 about customer choice in accordance with a certain provision of law; requiring  
5 the Commission to host a certain section on its Web site related to customer  
6 choice; requiring the Web site to comply with certain standards and to include  
7 certain information; requiring the Commission to maintain a certain secure  
8 portal on its Web site to receive certain information from certain electricity  
9 suppliers; requiring certain electricity suppliers to submit certain information  
10 to the Commission through the secure portal at certain intervals; requiring the  
11 Commission to work with certain media outlets to develop and air certain public  
12 service announcements related to customer choice; requiring the Commission to  
13 recover certain costs in accordance with a certain provision of law; requiring the  
14 Commission to submit a certain report to the General Assembly each year by a  
15 certain date; requiring the Commission to convene a certain workgroup for a  
16 certain purpose; providing for the membership and duties of the workgroup;  
17 requiring the workgroup to report to the Commission and certain committees by  
18 a certain date; requiring the Commission to ~~implement~~ take action on certain  
19 recommendations ~~by a certain date~~; and generally relating to customer choice.

20 BY repealing and reenacting, without amendments,

21 Article – Public Utilities  
22 Section 7–504 and 7–505(a)(1)  
23 Annotated Code of Maryland  
24 (2010 Replacement Volume)

---

### 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 adding to  
2 Article – Public Utilities  
3 Section 7–510.1  
4 Annotated Code of Maryland  
5 (2010 Replacement Volume)

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

8 **Article – Public Utilities**

9 7–504.

10 The General Assembly finds and declares that the purpose of this subtitle is to:

11 (1) establish customer choice of electricity supply and electricity  
12 supply services;

13 (2) create competitive retail electricity supply and electricity supply  
14 services markets;

15 (3) deregulate the generation, supply, and pricing of electricity;

16 (4) provide economic benefits for all customer classes; and

17 (5) ensure compliance with federal and State environmental  
18 standards.

19 7–505.

20 (a) (1) In assessing and approving each electric company's restructuring  
21 plan, and overseeing the transition process and regulation of the restructured electric  
22 industry, the Commission shall provide that the transition to a competitive electricity  
23 supply and electricity supply services market shall be orderly, maintain electric  
24 system reliability, and ensure compliance with federal and State environmental  
25 regulations, be fair to customers, electric company investors, customers of municipal  
26 electric utilities, electric companies, and electricity suppliers, and provide economic  
27 benefits to all customer classes.

28 **7–510.1.**

29 **(A) THE COMMISSION SHALL EDUCATE CUSTOMERS ABOUT CUSTOMER**  
30 **CHOICE IN ACCORDANCE WITH THIS SECTION.**

31 **(B) (1) THE COMMISSION SHALL:**

1                   (I)    HOST AND REGULARLY UPDATE A USER-FRIENDLY  
2 CUSTOMER CHOICE EDUCATION SECTION ON ITS WEB SITE THAT COMPLIES  
3 WITH STANDARDS ISSUED UNDER § 508 OF THE FEDERAL REHABILITATION ACT  
4 OF 1973; AND

5                   (II)   PROMINENTLY DISPLAY A LINK TO THAT SECTION OF  
6 THE COMMISSION'S WEB SITE ON THE HOME PAGE OF THE COMMISSION'S WEB  
7 SITE.

8                   (2)    THE CUSTOMER CHOICE EDUCATION SECTION OF THE  
9 COMMISSION'S WEB SITE SHALL INCLUDE:

10                   (I)    A CLEAR AND SIMPLE DESCRIPTION OF:

11                               1.    CUSTOMER CHOICE;  
12                               2.    HOW CUSTOMERS CAN SHOP FOR AN ELECTRICITY  
13 SUPPLIER;

14                               3.    WHAT KINDS OF COMPETITIVE ELECTRICITY  
15 SUPPLY OPTIONS CUSTOMERS HAVE, INCLUDING:

16                                   A.    RENEWABLE ENERGY SUPPLY;  
17                                   B.    FIXED AND VARIABLE PRICING; AND  
18                                   C.    OTHER COMMON CONTRACT TERMS;

19                               4.    THE CURRENT PRICE OF STANDARD OFFER  
20 SERVICE IN THE SERVICE TERRITORY OF EACH ELECTRIC COMPANY; AND

21                               5.    THE CONTINUING ROLE OF THE ELECTRIC  
22 COMPANY IN DELIVERING ELECTRICITY TO A CUSTOMER THAT CHOOSES AN  
23 ELECTRICITY SUPPLIER;

24                   (II)   FACT SHEETS THAT:

25                               1.    ANSWER COMMON QUESTIONS ABOUT CUSTOMER  
26 CHOICE;

27                               2.    ADVISE CUSTOMERS ABOUT THE QUESTIONS  
28 CUSTOMERS SHOULD ASK WHEN CHOOSING AN ELECTRICITY SUPPLIER; AND

29                               3.    LIST THE KINDS OF DISCLOSURES THAT  
30 ELECTRICITY SUPPLIERS MUST MAKE TO CUSTOMERS; AND

1                   **(III) A LIST OF ALL ELECTRICITY SUPPLIERS THAT HAVE**  
2 **OPEN OFFERS TO SUPPLY ELECTRICITY IN A CUSTOMER'S SERVICE AREA,**  
3 **SEARCHABLE BY SERVICE TERRITORY OR JURISDICTION.**

4                   **(3) TO THE EXTENT PRACTICABLE, THE LIST OF ELECTRICITY**  
5 **SUPPLIERS REQUIRED UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION SHALL**  
6 **INCLUDE:**

7                   **(I) THE TERMS OF ANY OPEN OFFERS TO SUPPLY**  
8 **ELECTRICITY, INCLUDING:**

- 9                               **1. THE DURATION OF THE CONTRACT;**  
10                              **2. THE COST OF ELECTRICITY PER KILOWATT-HOUR;**  
11 **AND**  
12                              **3. ANY CANCELLATION FEES; AND**

13                   **(II) A LINK TO THE WEB SITE OF EACH ELECTRICITY**  
14 **SUPPLIER WITH AN OPEN OFFER TO SUPPLY ELECTRICITY.**

15                   **(C) (1) TO ENSURE THE CURRENCY AND ACCURACY OF INFORMATION**  
16 **REQUIRED UNDER SUBSECTION (B)(2)(III) OF THIS SECTION, THE COMMISSION**  
17 **SHALL MAINTAIN A SECURE PORTAL ON ITS WEB SITE TO RECEIVE**  
18 **INFORMATION ABOUT OFFERS TO SUPPLY ELECTRICITY FROM ELECTRICITY**  
19 **SUPPLIERS.**

20                   **(2) AT LEAST ONCE EACH MONTH, EACH ELECTRICITY SUPPLIER**  
21 **WITH AN OPEN OFFER TO SUPPLY ELECTRICITY SHALL SUBMIT DETAILED**  
22 **INFORMATION ABOUT THE OFFER TO THE COMMISSION THROUGH A SECURE**  
23 **PORTAL MAINTAINED BY THE COMMISSION ON THE COMMISSION'S WEB SITE**  
24 **FOR THIS PURPOSE.**

25                   **(D) THE COMMISSION SHALL WORK WITH MEDIA OUTLETS IN THE**  
26 **STATE TO DEVELOP AND AIR PUBLIC SERVICE ANNOUNCEMENTS PUBLICIZING**  
27 **CUSTOMER CHOICE AND DIRECTING CUSTOMERS TO THE COMMISSION'S WEB**  
28 **SITE FOR ADDITIONAL INFORMATION.**

29                   **(E) THE COMMISSION SHALL RECOVER THE COST OF COMPLYING WITH**  
30 **THIS SECTION IN ACCORDANCE WITH § 2-110 OF THIS ARTICLE.**

31                   **(F) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE COMMISSION**  
32 **SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**  
33 **ARTICLE, TO THE GENERAL ASSEMBLY ON THE STATUS AND SUCCESS OF THE**

1 COMMISSION'S EFFORTS TO EDUCATE CUSTOMERS ABOUT CUSTOMER CHOICE  
2 UNDER THIS SECTION.

3 SECTION 2. AND BE IT FURTHER ENACTED, That:

4 (a) On or before July 1, 2011, the Public Service Commission shall convene a  
5 workgroup of interested parties to advise it on improvements to the Commission's Web  
6 site information and presentation concerning customer choice as required by this Act,  
7 and on additional information and methods of consumer education that can effectively  
8 supplement the requirements of this Act.

9 (b) The membership of the workgroup described under subsection (a) of this  
10 section shall be appointed by the Public Service Commission and include:

11 (1) the Attorney General or the Attorney General's designee;

12 (2) the Secretary of Disabilities or the Secretary's designee;

13 (3) the People's Counsel or the People's Counsel's designee;

14 (4) the Director of the Maryland Energy Administration or the  
15 Director's designee;

16 (5) appropriate staff of the Public Service Commission;

17 (6) a representative of each electric company;

18 (7) at least one representative of electricity suppliers serving  
19 residential customers in the State;

20 (8) a representative of the Retail Energy Supply Association;

21 (9) a Web site design specialist;

22 (10) an educational production and publication consultant;

23 (11) representatives of residential and small commercial retail electric  
24 customers; and

25 (12) any other individuals whom the Public Service Commission  
26 considers necessary or appropriate to the charge of the workgroup.

27 (c) The workgroup shall:

28 (1) study issues relating to:

1 (i) development and improvement of materials concerning  
2 customer choice on the Commission's Web site; and

3 (ii) options and recommendations for development of a customer  
4 education program by public units and private entities that will provide pertinent  
5 factual information to the public on the availability of customer choice, especially to  
6 customer classes that largely rely on standard offer service and to groups that may not  
7 adequately be able to rely on Web site-based sources of information on customer  
8 choice such as senior citizens and individuals with certain disabilities, and additional  
9 questions and issues that switching to or among competitive suppliers may present;

10 (2) develop recommendations for implementing suggested changes,  
11 new materials, and public outreach, including as appropriate a schedule for  
12 developing, funding, and deploying customer education and materials on customer  
13 choice; and

14 (3) on or before December 31, 2011, report its recommendations to the  
15 Commission and, in accordance with § 2-1246 of the State Government Article, the  
16 Senate Finance Committee and the House Economic Matters Committee.

17 (d) ~~On or before March 31, 2012~~ As soon as practicable, the Commission shall  
18 ~~implement~~ take action on the recommendations of the workgroup.

19 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 June 1, 2011.

Approved:

---

Governor.

---

Speaker of the House of Delegates.

---

President of the Senate.