

# SENATE BILL 244

C5  
SB 942/10 – FIN

11r2046  
CF 11r0309

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By: **Senators Pugh and Stone**  
Introduced and read first time: January 28, 2011  
Assigned to: Finance

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## A BILL ENTITLED

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 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)

25 BY adding to  
26 Article – Public Utilities  
27 Section 7–510.1  
28 Annotated Code of Maryland  
29 (2010 Replacement Volume)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



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

3 **Article – Public Utilities**

4 7–504.

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

6 (1) establish customer choice of electricity supply and electricity  
7 supply services;

8 (2) create competitive retail electricity supply and electricity supply  
9 services markets;

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

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

12 (5) ensure compliance with federal and State environmental  
13 standards.

14 7–505.

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

23 **7–510.1.**

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

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

27 **(I) HOST AND REGULARLY UPDATE A USER–FRIENDLY**  
28 **CUSTOMER CHOICE EDUCATION SECTION ON ITS WEB SITE THAT COMPLIES**  
29 **WITH STANDARDS ISSUED UNDER § 508 OF THE FEDERAL REHABILITATION ACT**  
30 **OF 1973; AND**

1                   **(II) PROMINENTLY DISPLAY A LINK TO THAT SECTION OF**  
2 **THE COMMISSION'S WEB SITE ON THE HOME PAGE OF THE COMMISSION'S WEB**  
3 **SITE.**

4                   **(2) THE CUSTOMER CHOICE EDUCATION SECTION OF THE**  
5 **COMMISSION'S WEB SITE SHALL INCLUDE:**

6                   **(I) A CLEAR AND SIMPLE DESCRIPTION OF:**

7                               **1. CUSTOMER CHOICE;**  
8                               **2. HOW CUSTOMERS CAN SHOP FOR AN ELECTRICITY**  
9 **SUPPLIER;**

10                              **3. WHAT KINDS OF COMPETITIVE ELECTRICITY**  
11 **SUPPLY OPTIONS CUSTOMERS HAVE, INCLUDING:**

12                                   **A. RENEWABLE ENERGY SUPPLY;**

13                                   **B. FIXED AND VARIABLE PRICING; AND**

14                                   **C. OTHER COMMON CONTRACT TERMS;**

15                              **4. THE CURRENT PRICE OF STANDARD OFFER**  
16 **SERVICE IN THE SERVICE TERRITORY OF EACH ELECTRIC COMPANY; AND**

17                              **5. THE CONTINUING ROLE OF THE ELECTRIC**  
18 **COMPANY IN DELIVERING ELECTRICITY TO A CUSTOMER THAT CHOOSES AN**  
19 **ELECTRICITY SUPPLIER;**

20                   **(II) FACT SHEETS THAT:**

21                              **1. ANSWER COMMON QUESTIONS ABOUT CUSTOMER**  
22 **CHOICE;**

23                              **2. ADVISE CUSTOMERS ABOUT THE QUESTIONS**  
24 **CUSTOMERS SHOULD ASK WHEN CHOOSING AN ELECTRICITY SUPPLIER; AND**

25                              **3. LIST THE KINDS OF DISCLOSURES THAT**  
26 **ELECTRICITY SUPPLIERS MUST MAKE TO CUSTOMERS; AND**

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

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

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

- 6                   1.   **THE DURATION OF THE CONTRACT;**  
7                   2.   **THE COST OF ELECTRICITY PER KILOWATT-HOUR;**  
8 **AND**  
9                   3.   **ANY CANCELLATION FEES; AND**

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

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

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

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

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

28           **(F) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE COMMISSION**  
29 **SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**  
30 **ARTICLE, TO THE GENERAL ASSEMBLY ON THE STATUS AND SUCCESS OF THE**  
31 **COMMISSION'S EFFORTS TO EDUCATE CUSTOMERS ABOUT CUSTOMER CHOICE**  
32 **UNDER THIS SECTION.**

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

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

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

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

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

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

11                  (4)    the Director of the Maryland Energy Administration or the  
12 Director's designee;

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

14                  (6)    a representative of each electric company;

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

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

18                  (9)    a Web site design specialist;

19                  (10)   an educational production and publication consultant;

20                  (11)   representatives of residential and small commercial retail electric  
21 customers; and

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

24           (c)    The workgroup shall:

25                   (1)    study issues relating to:

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

28                           (ii)   options and recommendations for development of a customer  
29 education program by public units and private entities that will provide pertinent  
30 factual information to the public on the availability of customer choice, especially to  
31 customer classes that largely rely on standard offer service and to groups that may not

1 adequately be able to rely on Web site-based sources of information on customer  
2 choice such as senior citizens and individuals with certain disabilities, and additional  
3 questions and issues that switching to or among competitive suppliers may present;

4           (2) develop recommendations for implementing suggested changes,  
5 new materials, and public outreach, including as appropriate a schedule for  
6 developing, funding, and deploying customer education and materials on customer  
7 choice; and

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

11           (d) On or before March 31, 2012, the Commission shall implement the  
12 recommendations of the workgroup.

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