

SENATE BILL 804

C5

1lr2552

By: **Senator Raskin**

Introduced and read first time: February 4, 2011

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies – Extended Service Disruptions – Penalties and**
3 **Ratepayer Compensation**

4 FOR the purpose of requiring the Public Service Commission to require, by regulation
5 or order, an electric company to compensate a ratepayer for certain damages
6 resulting from an extended disruption to electrical service, including certain
7 expenses; authorizing the Commission to impose a certain penalty on an electric
8 company if the Commission makes a certain determination; prohibiting certain
9 costs and penalties from being passed on to ratepayers; and generally relating
10 to disruptions to electrical service.

11 BY adding to

12 Article – Public Utilities
13 Section 7–309
14 Annotated Code of Maryland
15 (2010 Replacement Volume)

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

18 **Article – Public Utilities**

19 **7–309.**

20 **(A) THE COMMISSION SHALL REQUIRE, BY REGULATION OR ORDER, AN**
21 **ELECTRIC COMPANY TO COMPENSATE A RATEPAYER FOR ANY DAMAGES**
22 **INCURRED BY THE RATEPAYER AS A RESULT OF AN EXTENDED DISRUPTION TO**
23 **ELECTRICAL SERVICE, INCLUDING:**

24 **(1) SPOILED, CONTAMINATED, OR WASTED FOOD; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) THE REASONABLE EXPENSES OF ANY EMERGENCY MEASURES**
2 **TAKEN BY THE RATEPAYER TO COPE WITH THE DISRUPTION IN ELECTRICAL**
3 **SERVICE, INCLUDING TEMPORARY TRAVEL AND RELOCATION TO A HOTEL BY A**
4 **RESIDENTIAL RATEPAYER.**

5 **(B) IF THE COMMISSION DETERMINES THAT AN ELECTRIC COMPANY'S**
6 **RESPONSE TO AN EXTENDED DISRUPTION IN ELECTRICAL SERVICE IS**
7 **INADEQUATE TO A GIVEN CIRCUMSTANCE, THE COMMISSION MAY IMPOSE A**
8 **PENALTY ON AN ELECTRIC COMPANY IN AN AMOUNT NOT EXCEEDING 2.5% OF**
9 **THE ELECTRIC COMPANY'S TRANSMISSION AND DISTRIBUTION REVENUES FOR**
10 **THE PREVIOUS CALENDAR YEAR.**

11 **(C) THE COST TO AN ELECTRIC COMPANY OF ANY COMPENSATION OR**
12 **PENALTY UNDER THIS SECTION MAY NOT BE PASSED ON TO RATEPAYERS.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2011.