

# SENATE BILL 684

C5

6lr1849

---

By: **Senator Astle**

Introduced and read first time: February 5, 2016

Assigned to: Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Energy Efficiency Programs – Heating, Ventilation, Air Conditioning, and**  
3 **Refrigeration Services**

4 FOR the purpose of prohibiting an affiliate of an electric company from using the electric  
5 company's trade name, logo, billing services, mail inserts, advertising, or computer  
6 services for a plan or program that provides heating, ventilation, air conditioning, or  
7 refrigeration services except under certain circumstances; authorizing an affiliate of  
8 an electric company to use the electric company's trade name, logo, billing services,  
9 mail inserts, advertising, or computer services for a plan or program that provides  
10 heating, ventilation, air conditioning, or refrigeration services if the electric company  
11 provides just and reasonable compensation to the customers of the electric company's  
12 regulated services; requiring the Public Service Commission to initiate a proceeding  
13 to determine just and reasonable compensation for customers of the electric  
14 company's regulated services; requiring the Commission to adopt certain regulations  
15 or issue certain orders; and generally relating to energy efficiency programs.

16 BY repealing and reenacting, without amendments,  
17 Article – Public Utilities  
18 Section 7–211(d)  
19 Annotated Code of Maryland  
20 (2010 Replacement Volume and 2015 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article – Public Utilities  
23 Section 7–211(i)  
24 Annotated Code of Maryland  
25 (2010 Replacement Volume and 2015 Supplement)

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

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Public Utilities**

2 7–211.

3 (d) Subject to review and approval by the Commission, each gas company and  
4 electric company shall develop and implement programs and services to encourage and  
5 promote the efficient use and conservation of energy by consumers, gas companies, and  
6 electric companies.

7 (i) (1) In determining whether a program or service encourages and promotes  
8 the efficient use and conservation of energy, the Commission shall consider the:

9 (i) cost–effectiveness;

10 (ii) impact on rates of each ratepayer class;

11 (iii) impact on jobs; and

12 (iv) impact on the environment.

13 (2) The Commission shall monitor and analyze the impact of each program  
14 and service to ensure that the outcome of each program and service provides the best  
15 possible results.

16 (3) In monitoring and analyzing the impact of a program or service under  
17 paragraph (2) of this subsection, if the Commission finds that the outcome of the program  
18 or services may not be providing the best possible results, the Commission shall direct the  
19 electric company to include in its annual update under subsection (h)(4) of this section  
20 specific measures to address the findings.

21 (4) An electric company that enters into a contract or obligation with an  
22 affiliate of the electric company to provide heating, ventilation, air conditioning, or  
23 refrigeration services in connection with a program or service shall notify the Commission  
24 within 30 days after entering into the contract or obligation that the electric company:

25 (i) has entered into a contract or obligation with an affiliate of the  
26 electric company; and

27 (ii) certifies that the customers of the electric company’s regulated  
28 services will not subsidize the operations of the affiliate.

29 **(5) (I) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF**  
30 **THIS SUBPARAGRAPH, AN AFFILIATE OF AN ELECTRIC COMPANY MAY NOT USE THE**  
31 **ELECTRIC COMPANY’S TRADE NAME, LOGO, BILLING SERVICES, MAIL INSERTS,**  
32 **ADVERTISING, OR COMPUTER SERVICES FOR A PLAN OR PROGRAM THAT PROVIDES**  
33 **HEATING, VENTILATION, AIR CONDITIONING, OR REFRIGERATION SERVICES.**

1                                   **2. AN AFFILIATE OF AN ELECTRIC COMPANY MAY USE**  
2 **THE ELECTRIC COMPANY'S TRADE NAME, LOGO, BILLING SERVICES, MAIL INSERTS,**  
3 **ADVERTISING, OR COMPUTER SERVICES FOR A PLAN OR PROGRAM THAT PROVIDES**  
4 **HEATING, VENTILATION, AIR CONDITIONING, OR REFRIGERATION SERVICES IF THE**  
5 **ELECTRIC COMPANY PROVIDES JUST AND REASONABLE COMPENSATION TO THE**  
6 **CUSTOMERS OF THE ELECTRIC COMPANY'S REGULATED SERVICES IN ACCORDANCE**  
7 **WITH SUBPARAGRAPH (II) OF THIS PARAGRAPH.**

8                                   **(II) 1. THE COMMISSION SHALL INITIATE A PROCEEDING TO**  
9 **DETERMINE THE AMOUNT OF JUST AND REASONABLE COMPENSATION THAT AN**  
10 **AFFILIATE OF AN ELECTRIC COMPANY SHALL PROVIDE TO CUSTOMERS OF THE**  
11 **ELECTRIC COMPANY'S REGULATED SERVICES UNDER SUBPARAGRAPH (I)2 OF THIS**  
12 **PARAGRAPH.**

13                                   **2. THE COMMISSION SHALL ADOPT REGULATIONS OR**  
14 **ISSUE ORDERS TO CARRY OUT THIS PARAGRAPH.**

15                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 2016.