Chapter 532

(House Bill 1491)

AN ACT concerning

<u>Utility Submetering - Multiple Occupancy Buildings - Study</u> <u>Public Service Commission - Repeal of Master Metering Authorization and</u> Study on Energy Allocation Systems and Submetering

FOR the purpose of requiring the Public Service repealing certain provisions of law authorizing the Public Service Commission to authorize the use of a master meter in a residential multiple occupancy building for certain purposes under certain circumstances; making a conforming change; requiring the Commission to conduct a certain study of the effects of master meters in certain residential multiple occupancy buildings; on the feasibility of transitioning master meters installed and used for gas; or electric, or water to energy allocation systems or submeters in apartment buildings or complexes, condominiums, and housing cooperatives; providing for the required elements of the study; requiring the Commission to report its findings to the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to submetering in multiple occupancy buildings metering for gas; and electricity, and water in multiple occupancy buildings, including apartments, condominiums, and housing cooperatives.

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 7–301(c)(3)

Annotated Code of Maryland

(2010 Replacement Volume and 2017 Supplement)

BY repealing

Article – Public Utilities

Section 7–304.1

Annotated Code of Maryland

(2010 Replacement Volume and 2017 Supplement)

- (a) The Public Service Commission shall conduct a study on the effects of master meters installed and used in residential multiple occupancy buildings, including those installed in accordance with Chapter 315 of the Acts of the General Assembly of 2010.
 - (b) The study shall include:
- (1) the number and location of residential multiple occupancy buildings that currently have Commission approval to use a master meter;

- (2) the criteria that the Commission uses to determine that the use of a master meter will result in net energy savings over and above the energy savings expected to result from individual metering or submetering in a comparable building;
- (3) the cost savings that are or were passed on to tenants in the form of any rent reduction or other credit as a result of building owners purchasing gas service and electricity service in bulk through the use of a master meter; and
- (4) a comparison of energy consumption by residential multiple occupancy buildings that use submetering with energy consumption by similar buildings that use a master meter.

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

<u>Article - Public Utilities</u>

<u>7–301.</u>

(c) (3) [Except as provided in § 7–304.1 of this subtitle, the] THE Commission may not authorize a gas company or electric company to service an occupancy unit or shopping center unit subject to this subsection unless the building or shopping center has individual metered service or submetering as provided under § 7–303 or § 7–304 of this subtitle for each individually leased or owned occupancy unit or shopping center unit.

[7–304.1.

- (a) In this section, "master meter" means a meter used to measure, for billing purposes, the total amount of electricity or natural gas used in a building by a heating, ventilation, and air conditioning system, including the combined use from all individually leased or owned units and all common areas.
- (b) The Commission may authorize the use of a master meter in a residential multiple occupancy building for heating, ventilation, and air conditioning services without requiring individual metering or submetering for heating, ventilation, and air conditioning services as provided under § 7–303 or § 7–304 of this subtitle if:
- (1) the utility bill for heating, ventilation, and air conditioning services for each individually leased or owned occupancy unit is included in the rent for that unit;
- (2) the Commission is satisfied that the use of the master meter for heating, ventilation, and air conditioning services will result in a net savings of energy over the energy savings that would result from individual metering or submetering for heating, ventilation, and air conditioning services; and

- (3) each individually leased or owned occupancy unit:
 - (i) has individual metered service for other energy services; and
 - (ii) directly receives the utility bill for the other energy services.
- (c) Before authorizing the use of a master meter for heating, ventilation, and air conditioning services, the Commission may review the proposed allocation of heating, ventilation, and air conditioning system expenses among individual units and common areas served by the master meter.
- (d) In accordance with § 7–301 of this subtitle, an electric company or a gas company may inspect and test a master meter authorized for use by the Commission under this section.]

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Public Service Commission shall conduct a study on the feasibility of transitioning master meters installed and used for gas; or electric, or water to energy allocation systems or submeters in apartment buildings or complexes, condominiums, and housing cooperatives.

(b) The study shall include:

- (1) the number and location of apartment buildings or complexes, condominiums, and housing cooperatives that currently use a master meter for gas; or electric, or water;
- (2) the estimated cost of transitioning master meters used for gas, or electric, or water to energy allocation systems or submeters;
- (3) the number of master meter accounts for apartment buildings or complexes, condominiums, and housing cooperatives that have been in arrears over two or more billing cycles during the period of the study; and
- (4) any existing programs in the State to assist landlords or tenants in converting master metering systems into energy allocation or submetering systems.
- (c) On or before January 15, 2019, the Commission shall report the findings of the study to the General Assembly, in accordance with § 2–1246 of the State Government Article.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 1 year and, at the end of June 30, 2019, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 8, 2018.