

HOUSE BILL 730

C5, L6

9lr1191
CF SB 660

By: **Delegates Charkoudian, Lehman, Acevero, Barron, Carr, Crosby, Ebersole, Fraser-Hidalgo, Kelly, R. Lewis, Love, Luedtke, Moon, Mosby, Shetty, Smith, Solomon, Stewart, and Wilkins**

Introduced and read first time: February 8, 2019

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Industry – Community Choice Aggregation**

3 FOR the purpose of repealing a provision that prohibits a county or municipal corporation
4 from acting as an aggregator under certain circumstances; establishing a process by
5 which a county or municipal corporation or group of counties and municipal
6 corporations may become a community choice aggregator; requiring a county or
7 municipal corporation to develop and give certain notice of a certain aggregation
8 plan; providing for the contents of a certain aggregation plan; authorizing a
9 community choice aggregator to own a certain electric generating facility for a
10 certain purpose; exempting a community choice aggregator from certain
11 requirements relating to the licensing of electricity suppliers; establishing a process
12 under which certain customers shall be deemed to have given permission to a certain
13 county or municipal corporation to act as the customers' community choice
14 aggregator; providing that certain customers may refuse to participate in certain
15 aggregation activities under certain circumstances; requiring a certain electricity
16 supplier to give certain notice to a community choice aggregator regarding the end
17 of a certain contract term; requiring a county or municipal corporation to give or
18 provide for certain notices to certain persons and to the Public Service Commission
19 under certain circumstances; providing for the contents of certain notices;
20 prohibiting a county or municipal corporation from excluding certain customers from
21 the ability to participate in certain aggregation activities under certain
22 circumstances; requiring the Commission to notify a certain county or municipal
23 corporation as to its compliance with certain requirements; providing that a
24 community choice aggregator may award contracts for competitive generation
25 service supply only at certain times; requiring the Commission to make a certain
26 determination as to when a community choice aggregator may award contracts for
27 competitive generation service supply; providing that a certain county or municipal
28 corporation is deemed to have obtained certain customer authorization to retrieve
29 certain data; requiring the Commission to review certain fees, request formats, and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the format of certain data provided to facilitate the intent of certain provisions of
2 law; prohibiting a community choice aggregator from assessing certain new fees,
3 taxes, or charges in the aggregation charges or rates under certain circumstances;
4 limiting the amount of a certain fee; requiring the Commission to adopt certain
5 regulations and establish certain procedures; requiring the Commission to consider
6 certain factors; defining certain terms; altering certain definitions; and generally
7 relating to the ability of a county or municipal corporation to aggregate demand for
8 electricity within the county or municipal corporation.

9 BY renumbering

10 Article – Public Utilities
11 Section 1–101(f) through (tt), respectively
12 to be Section 1–101(g) through (uu), respectively
13 Annotated Code of Maryland
14 (2010 Replacement Volume and 2018 Supplement)

15 BY repealing and reenacting, without amendments,

16 Article – Public Utilities
17 Section 1–101(a)
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2018 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Public Utilities
22 Section 1–101(b) and 7–507(a)
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2018 Supplement)

25 BY adding to

26 Article – Public Utilities
27 Section 1–101(f) and 7–510.2
28 Annotated Code of Maryland
29 (2010 Replacement Volume and 2018 Supplement)

30 BY repealing

31 Article – Public Utilities
32 Section 7–510(f)
33 Annotated Code of Maryland
34 (2010 Replacement Volume and 2018 Supplement)

35 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
36 That Section(s) 1–101(f) through (tt), respectively, of Article – Public Utilities of the
37 Annotated Code of Maryland be renumbered to be Section(s) 1–101(g) through (uu),
38 respectively.

39 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
40 as follows:

Article – Public Utilities

1–101.

(a) In this division the following words have the meanings indicated.

(b) (1) “Aggregator” means an entity or an individual that acts on behalf of a customer to purchase electricity or gas.

(2) “Aggregator” does not include:

(i) an entity or individual that purchases electricity or gas **ONLY** for its own use or for the use of its subsidiaries or affiliates;

(ii) a municipal electric utility or a municipal gas utility serving only in its distribution territory; or

(iii) a combination of governmental units that purchases electricity or gas for use by the governmental units.

(F) “COMMUNITY CHOICE AGGREGATOR” MEANS A COUNTY OR MUNICIPAL CORPORATION OR A GROUP OF COUNTIES, MUNICIPAL CORPORATIONS, OR BOTH THAT SERVE AS AN ELECTRIC AGGREGATOR FOR THE PURPOSE OF NEGOTIATING THE PURCHASE OF ELECTRIC GENERATION SERVICES FROM AN ELECTRICITY SUPPLIER OR PROVIDING ELECTRICITY FROM AN ELECTRIC GENERATING FACILITY OWNED BY THE AGGREGATOR FOR ALL ELECTRIC CUSTOMERS:

(1) LOCATED, FOR A MUNICIPAL CORPORATION, IN THE MUNICIPAL CORPORATION OR, FOR A COUNTY, IN ANY AREA IN THE COUNTY OUTSIDE A MUNICIPAL CORPORATION;

(2) THAT HAVE NOT:

(I) SELECTED AN ELECTRICITY SUPPLIER OTHER THAN THE STANDARD OFFER SERVICE SUPPLIER; OR

(II) REFUSED TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COUNTY, MUNICIPAL CORPORATION, OR GROUP OF COUNTIES OR GROUP OF MUNICIPAL CORPORATIONS; AND

(3) THAT ARE NOT LOCATED IN THE SERVICE TERRITORY OF A MUNICIPAL ELECTRIC UTILITY.

7–507.

1 (a) A person, other than an electric company providing standard offer service
2 under § 7-510(c) of this subtitle [or], a municipal electric utility serving customers solely
3 in its distribution territory, **OR A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.2**
4 **OF THIS SUBTITLE**, may not engage in the business of an electricity supplier in the State
5 unless the person holds a license issued by the Commission.

6 7-510.

7 [(f) A county or municipal corporation may not act as an aggregator unless the
8 Commission determines there is not sufficient competition within the boundaries of the
9 county or municipal corporation.]

10 **7-510.2.**

11 **(A) A COUNTY OR MUNICIPAL CORPORATION OR GROUP OF COUNTIES OR**
12 **MUNICIPAL CORPORATIONS MAY FORM OR JOIN A COMMUNITY CHOICE**
13 **AGGREGATOR UNDER THIS SECTION.**

14 **(B) (1) AT LEAST 60 DAYS BEFORE INITIATING THE PROCESS TO JOIN OR**
15 **FORM A COMMUNITY CHOICE AGGREGATOR, A COUNTY OR MUNICIPAL**
16 **CORPORATION SHALL DEVELOP AN AGGREGATION PLAN.**

17 **(2) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL**
18 **CORPORATION SHALL:**

19 **(I) GIVE WRITTEN NOTICE OF THE AGGREGATION PLAN TO**
20 **EACH ELECTRIC CUSTOMER IN THE JURISDICTION;**

21 **(II) PUBLISH A FAIR SUMMARY OF THE AGGREGATION PLAN IN**
22 **AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN THE JURISDICTION; AND**

23 **(III) IF THE JURISDICTION MAINTAINS A WEBSITE, PUBLISH THE**
24 **FULL TEXT OF THE AGGREGATION PLAN ON THE WEBSITE.**

25 **(3) THE AGGREGATION PLAN SHALL:**

26 **(I) DETAIL THE PROCESS AND CONSEQUENCES OF COMMUNITY**
27 **CHOICE AGGREGATION;**

28 **(II) CONTAIN INFORMATION ON THE OPERATIONS, FUNDING,**
29 **AND ORGANIZATIONAL STRUCTURE OF THE COMMUNITY CHOICE AGGREGATOR;**

30 **(III) PROVIDE DETAILS ON:**

- 1 1. THE RATE SETTING AND COSTS TO PARTICIPANTS;
- 2 2. METHODS THAT THE COMMUNITY CHOICE
- 3 AGGREGATOR MUST USE FOR ENTERING INTO AND TERMINATING AGREEMENTS
- 4 WITH OTHER ENTITIES;
- 5 3. THE RIGHTS AND RESPONSIBILITIES OF
- 6 PARTICIPATING ELECTRIC CUSTOMERS; AND
- 7 4. THE TERMINATION OF THE AGGREGATION PROGRAM,
- 8 IF ANY; AND

9 (IV) PROVIDE FOR UNIVERSAL ELECTRICITY ACCESS,

10 RELIABILITY, AND EQUITABLE TREATMENT OF ALL ELECTRIC CUSTOMERS IN THE

11 JURISDICTION.

12 (c) (1) AT LEAST 60 DAYS AFTER GIVING WRITTEN NOTICE OF THE

13 AGGREGATION PLAN TO THE ELECTRIC CUSTOMERS IN ITS JURISDICTION, A COUNTY

14 OR MUNICIPAL CORPORATION OR GROUP OF COUNTIES OR MUNICIPAL

15 CORPORATIONS MAY INITIATE THE PROCESS OF FORMING OR JOINING A

16 COMMUNITY CHOICE AGGREGATOR BY FILING WITH THE COMMISSION BY

17 REGISTERED MAIL:

18 (I) A NOTICE OF INTENT TO FORM OR JOIN A COMMUNITY

19 CHOICE AGGREGATOR;

20 (II) A COPY OF THE AGGREGATION PLAN DEVELOPED IN

21 ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION; AND

22 (III) A DRAFT LOCAL LAW FORMING OR JOINING A COMMUNITY

23 CHOICE AGGREGATOR.

24 (2) THE NOTICE OF INTENT SHALL INCLUDE:

25 (I) THE NAME OF EACH COUNTY OR MUNICIPAL CORPORATION

26 IN THE COMMUNITY CHOICE AGGREGATOR; AND

27 (II) WHETHER THE COUNTY OR MUNICIPAL CORPORATION IS

28 FORMING A COMMUNITY CHOICE AGGREGATOR OR JOINING AN EXISTING

29 COMMUNITY CHOICE AGGREGATOR.

30 (3) A COUNTY OR MUNICIPAL CORPORATION IS A COMMUNITY

1 CHOICE AGGREGATOR AFTER:

2 (I) SUBMITTING THE NOTICE OF INTENT AND AGGREGATION
3 PLAN REQUIRED UNDER THIS SUBSECTION; AND

4 (II) ENACTING A LOCAL LAW THAT PROVIDES THAT THE COUNTY
5 OR MUNICIPAL CORPORATION SHALL ACT AS A COMMUNITY CHOICE AGGREGATOR.

6 (D) (1) IF A COUNTY OR MUNICIPAL CORPORATION ENACTS A LOCAL LAW
7 TO ACT AS A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION, THE COUNTY
8 OR MUNICIPAL CORPORATION SHALL GIVE, OR CAUSE ITS SELECTED ELECTRICITY
9 SUPPLIER TO GIVE, WRITTEN NOTICE TO ALL ELECTRIC CUSTOMERS IN ITS
10 JURISDICTION.

11 (2) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL
12 INCLUDE:

13 (I) THE IDENTITY OF THE SELECTED ELECTRICITY SUPPLIER;

14 (II) TERMS AND CONDITIONS OF SERVICE;

15 (III) NEW RATES FOR SERVICE;

16 (IV) A COMPARISON OF THE NEW RATES AND THE RATES UNDER
17 THE CURRENT STANDARD OFFER SERVICE; AND

18 (V) THE TOTAL RENEWABLE COMPONENT OF THE PORTFOLIO
19 OF THE SELECTED ELECTRICITY SUPPLIER THAT EXCEEDS THE REQUIREMENTS
20 UNDER CURRENT LAW, IF ANY.

21 (3) IN THE NOTICE REQUIRED UNDER THIS SUBSECTION, THE
22 COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE TO THE ELECTRIC
23 CUSTOMERS IN ITS JURISDICTION THE OPPORTUNITY TO REFUSE TO PARTICIPATE
24 IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR
25 WITHOUT PENALTY BY RETURN MAILING OF THE NOTICE INDICATING THE
26 CUSTOMER'S DECISION TO REFUSE TO PARTICIPATE IN THE AGGREGATION
27 ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR.

28 (4) A COUNTY OR MUNICIPAL CORPORATION THAT ENACTS A LOCAL
29 LAW TO ACT AS A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION MAY NOT
30 EXCLUDE ANY ELECTRIC CUSTOMER IN ITS JURISDICTION FROM THE ABILITY TO
31 PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE
32 AGGREGATOR.

1 **(E) AN ELECTRIC CUSTOMER IS DEEMED TO HAVE GIVEN PERMISSION TO**
2 **THE COUNTY OR MUNICIPAL CORPORATION TO ACT ON THE CUSTOMER’S BEHALF AS**
3 **A COMMUNITY CHOICE AGGREGATOR:**

4 **(1) WHEN THE COUNTY OR MUNICIPAL CORPORATION RECEIVES A**
5 **RETURNED NOTICE FROM THE CUSTOMER EXPLICITLY GRANTING THAT**
6 **PERMISSION; OR**

7 **(2) IN THE CASE OF A CUSTOMER RECEIVING STANDARD OFFER**
8 **SERVICE, WITHIN 30 DAYS AFTER THE NOTICE IS GIVEN IF THE COUNTY OR**
9 **MUNICIPAL CORPORATION HAS NOT RECEIVED A RETURNED NOTICE BY THAT DATE.**

10 **(F) (1) AT LEAST 45 DAYS BEFORE THE END OF A CONTRACT TERM**
11 **BETWEEN AN ELECTRICITY SUPPLIER AND A CUSTOMER IN THE JURISDICTION OF A**
12 **COMMUNITY CHOICE AGGREGATOR, AN ELECTRICITY SUPPLIER SHALL GIVE NOTICE**
13 **TO THE COMMUNITY CHOICE AGGREGATOR REGARDING THE END OF THE CONTRACT**
14 **TERM WITH THE CUSTOMER.**

15 **(2) AT THE END OF A CONTRACT TERM WITH AN ELECTRICITY**
16 **SUPPLIER A CUSTOMER IN THE JURISDICTION OF A COMMUNITY CHOICE**
17 **AGGREGATOR SHALL BE AUTOMATICALLY ENROLLED AS A PARTICIPANT IN THE**
18 **AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR UNLESS THE**
19 **CUSTOMER GIVES WRITTEN NOTICE TO THE COUNTY OR MUNICIPAL CORPORATION**
20 **DECLINING TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY**
21 **CHOICE AGGREGATOR.**

22 **(G) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT AN ELECTRIC**
23 **CUSTOMER IN THE JURISDICTION OF THE COUNTY OR MUNICIPAL CORPORATION**
24 **FROM CHOOSING TO ENTER INTO A CONTRACT WITH AN ELECTRICITY SUPPLIER**
25 **OTHER THAN THE COMMUNITY CHOICE AGGREGATOR.**

26 **(H) (1) IN THIS SUBSECTION, “AGGREGATION SERVICES” INCLUDES THE**
27 **PROVISION OF ELECTRICITY SERVICE FROM A GENERATING STATION OWNED BY A**
28 **COMMUNITY CHOICE AGGREGATOR.**

29 **(2) A COMMUNITY CHOICE AGGREGATOR MAY NOT ASSESS ANY NEW**
30 **FEE, TAX, OR OTHER CHARGE IN THE AGGREGATION CHARGES OR RATES THAT IS**
31 **NOT RELATED TO THE COST OF PROVIDING THE AGGREGATION SERVICE.**

1 **(3) A FEE FOR AGGREGATION MAY NOT EXCEED:**

2 **(I) THE COST OF TRANSMISSION OF THE ELECTRICITY**
3 **PROVIDED THROUGH THE AGGREGATION SERVICE; AND**

4 **(II) IF THE COMMUNITY CHOICE AGGREGATOR PROVIDES**
5 **ELECTRICITY SUPPLY TO ITS CUSTOMERS THROUGH AN ELECTRIC GENERATING**
6 **STATION THAT IT OWNS, THE COST OF THE ELECTRICITY PROVIDED THROUGH THE**
7 **AGGREGATION SERVICE.**

8 **(I) (1) A COMMUNITY CHOICE AGGREGATOR MAY NOT BE CONSIDERED**
9 **TO BE AN ELECTRICITY SUPPLIER UNDER § 7-507(A) OF THIS SUBTITLE.**

10 **(2) A COMMUNITY CHOICE AGGREGATOR MAY OWN AN ELECTRIC**
11 **GENERATING FACILITY IN ACCORDANCE WITH THIS ARTICLE IF THE FACILITY IS**
12 **DESIGNED TO PROVIDE ENERGY PRIMARILY FOR USE BY THE PARTICIPANTS OF THE**
13 **COMMUNITY CHOICE AGGREGATOR.**

14 **(J) (1) BASED ON A DETERMINATION OF THE MITIGATION OF**
15 **VOLUMETRIC RISK, THE COMMISSION SHALL IDENTIFY AT LEAST ONE 2-MONTH**
16 **PERIOD IN THE CALENDAR YEAR WITHIN WHICH A COMMUNITY CHOICE**
17 **AGGREGATOR MAY AWARD CONTRACTS FOR COMPETITIVE GENERATION SERVICE**
18 **SUPPLY.**

19 **(2) A COMMUNITY CHOICE AGGREGATOR MAY AWARD CONTRACTS**
20 **FOR COMPETITIVE GENERATION SERVICE SUPPLY ONLY WITHIN A 2-MONTH PERIOD**
21 **IDENTIFIED BY THE COMMISSION UNDER THIS SUBSECTION.**

22 **(K) (1) A COMMUNITY CHOICE AGGREGATOR IS DEEMED TO HAVE**
23 **OBTAINED ELECTRIC CUSTOMER AUTHORIZATION TO RETRIEVE PREENROLLMENT**
24 **USAGE DATA FOR CUSTOMERS IN THE JURISDICTION OF THE COMMUNITY CHOICE**
25 **AGGREGATOR.**

26 **(2) AN ELECTRIC COMPANY SHALL PROVIDE TO A COMMUNITY**
27 **CHOICE AGGREGATOR ANY RELEVANT PREENROLLMENT USAGE DATA FOR**
28 **CUSTOMERS IN THE JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR.**

29 **(L) THE COMMISSION SHALL REVIEW APPLICABLE FEES, REQUEST**
30 **FORMATS, AND THE FORMAT OF DATA PROVIDED TO FACILITATE THE INTENT OF**
31 **THIS SECTION.**

32 **(M) (1) THE COMMISSION SHALL ESTABLISH PROCEDURES FOR AN**
33 **ELECTRIC CUSTOMER WHO IS RECEIVING ELECTRIC GENERATION SERVICES FROM**

1 AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE AGGREGATOR TO
2 RECEIVE ANY BILL ASSISTANCE CREDIT TO WHICH THE CUSTOMER MAY BE
3 ENTITLED UNDER § 7-512.1 OF THIS SUBTITLE.

4 (2) AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE
5 AGGREGATOR SHALL REFER RESIDENTIAL CUSTOMERS WITH ACCOUNTS DEEMED
6 DELINQUENT UNDER THE TERMS AND CONDITIONS ADOPTED BY THE ELECTRICITY
7 SUPPLIER TO THE STANDARD OFFER SERVICE IN ACCORDANCE WITH THE
8 PROCEDURES ADOPTED BY THE COMMISSION UNDER §§ 7-507(E)(6) AND
9 7-510(C)(2)(VI) OF THIS SUBTITLE.

10 (N) (1) THE COMMISSION SHALL BY REGULATION ESTABLISH
11 STANDARDS AND PROCEDURES TO PROTECT THE CONSUMER RIGHTS OF
12 RESIDENTIAL CUSTOMERS WHO RECEIVE ELECTRIC GENERATION SERVICES FROM
13 AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE AGGREGATOR.

14 (2) THE REGULATIONS SHALL PROHIBIT DISCRIMINATION AGAINST A
15 CUSTOMER OR ON THE BASIS OF THE LOCATION OF THE CUSTOMER.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2019.