A BILL ENTITLED

AN ACT concerning

Electricity Suppliers and Gas Suppliers – Consumer Protections

FOR the purpose of authorizing the Office of People’s Counsel to investigate and request certain documents from an electricity supplier or a gas supplier under certain circumstances; requiring the Office of People’s Counsel to have a reasonable basis before initiating a certain investigation; requiring an electricity supplier or a gas supplier to provide certain written responses and documents to the Office of People’s Counsel under certain circumstances; prohibiting an electricity supplier or a gas supplier from switching a customer’s rate for electricity or gas supply from a fixed rate to a variable rate without the customer’s written consent; limiting the amount of a certain early termination or cancellation fee of a retail electricity or gas supply contract; requiring certain electricity bills to include certain information; requiring the Public Service Commission to adopt regulations to require gas suppliers to include certain information in certain gas bills; requiring the Commission to order an electricity supplier or a gas supplier to cease and desist certain actions and to take certain affirmative actions, including certain monetary restitution to certain customers under certain circumstances; requiring the Commission to make certain determinations under certain circumstances; and generally relating to consumer protections for customers of electricity suppliers and gas suppliers.

BY repealing and reenacting, with amendments,

Article – Public Utilities
Section 2–204, 7–507(f) and (k), 7–603, and 7–604
Annotated Code of Maryland
(2010 Replacement Volume and 2019 Supplement)

BY adding to

Article – Public Utilities
Section 7–311
Annotated Code of Maryland
(2010 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Public Utilities

2–204.

(a) (1) The Office of People’s Counsel shall evaluate each matter pending
before the Commission to determine if the interests of residential and noncommercial users
are affected.

(2) If the Office of People’s Counsel considers the interest of residential and
noncommercial users to be affected, the Office of People’s Counsel shall appear before the
Commission and courts on behalf of residential and noncommercial users in each matter or
proceeding over which the Commission has original jurisdiction, including a proceeding on
the rates, service, or practices of a public service company or on a violation of this division.

(3) As the Office of People’s Counsel considers necessary, the Office of
People’s Counsel shall conduct investigations and request the Commission to initiate
proceedings to protect the interests of residential and noncommercial users.

(4) (I) IF THE OFFICE OF PEOPLE’S COUNSEL DETERMINES THAT
IT IS NECESSARY TO PROTECT THE INTERESTS OF RESIDENTIAL ELECTRIC AND GAS
CUSTOMERS, THE OFFICE OF PEOPLE’S COUNSEL MAY INVESTIGATE AND REQUEST
DOCUMENTS AND INFORMATION FROM ELECTRICITY SUPPLIERS AND GAS
SUPPLIERS.

(II) THE OFFICE OF PEOPLE’S COUNSEL MUST HAVE A
REASONABLE BASIS TO INITIATE AN INVESTIGATION UNDER THIS PARAGRAPH,
INCLUDING:

1. THE RECEIPT OF CUSTOMER COMPLAINTS MADE TO
THE OFFICE OF PEOPLE’S COUNSEL, THE COMMISSION, OR THE OFFICE OF THE
ATTORNEY GENERAL; AND

2. A REVIEW OF ELECTRICITY SUPPLIER OR GAS
SUPPLIER DOCUMENTS OR OTHER INFORMATION PROVIDED TO THE OFFICE OF
PEOPLE’S COUNSEL.

(III) UNLESS THE COMMISSION DETERMINES THAT AN
ELECTRICITY SUPPLIER OR A GAS SUPPLIER IS NOT REQUIRED TO RESPOND, AN
ELECTRICITY SUPPLIER OR A GAS SUPPLIER SHALL PROVIDE WRITTEN RESPONSES
AND DOCUMENTS TO THE OFFICE OF PEOPLE’S COUNSEL RELATED TO AN
INVESTIGATION UNDER THIS PARAGRAPH WITHIN A REASONABLE TIME FOLLOWING
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THE REQUEST.

(b) The People’s Counsel shall administer and operate the Office of People’s Counsel.

7–311.

(A) AN ELECTRICITY SUPPLIER OR A GAS SUPPLIER MAY NOT SWITCH A CUSTOMER’S RATE FOR ELECTRICITY OR GAS SUPPLY FROM A FIXED RATE TO A VARIABLE RATE WITHOUT FIRST OBTAINING THE CUSTOMER’S WRITTEN CONSENT.

(B) NOTWITHSTANDING ANY OTHER LAW, AN ELECTRICITY SUPPLIER OR A GAS SUPPLIER MAY NOT IMPOSE A FEE THAT EXCEEDS $50 FOR THE EARLY TERMINATION OR CANCELLATION OF A RETAIL ELECTRICITY OR GAS SUPPLY CONTRACT.

7–507.

(f) In accordance with regulations or orders of the Commission, electricity bills, for competitive and regulated electric services, provided to consumers [may] SHALL provide, in addition to the requirements of § 7–505(b)(5) of this subtitle and subsection (e)(2) of this section, the following information:

(1) the identity and phone number of the electricity supplier of the service;

(2) sufficient information to evaluate prices and services; [and]

(3) information identifying whether the price is regulated or competitive; AND

(4) INFORMATION SET FORTH IN A TABLE OR CHART THAT:

(I) COMPARES THE ELECTRICITY SUPPLIER’S RATE TO THE APPLICABLE ELECTRIC COMPANY’S STANDARD OFFER SERVICE RATE;

(II) CALCULATES A COMPARISON OF THE COST OF ELECTRICITY SUPPLY BASED ON THE CUSTOMER’S MONTHLY ELECTRICITY USAGE WITH STANDARD OFFER SERVICE; AND

(III) LISTS THE ACTUAL PRICE DIFFERENCES BETWEEN THE RATES.

(k) (1) The Commission may revoke or suspend the license of an electricity supplier, impose a civil penalty or other remedy, order a refund or credit to a customer, or impose a moratorium on adding or soliciting additional customers by the electricity
supplier, for just cause on the Commission’s own investigation or on complaint of the Office of People’s Counsel, the Attorney General, or an affected party.

(2) A civil penalty may be imposed in addition to the Commission’s decision to revoke, suspend, or impose a moratorium.

(3) (I) If, after notice and a hearing, the Commission determines that an electricity supplier’s actions meet one or more of the just cause standards set forth in paragraph (4) of this subsection and have resulted in financial harm to one or more customers, the Commission shall issue an order requiring the electricity supplier to:

1. Cease and desist from the actions that met one or more of the just cause standards; and

2. Take affirmative actions, including monetary restitution to all customers harmed by the electricity supplier’s actions.

(II) Restitution under this paragraph shall be equal to the difference between the rate charged by the electricity supplier and the applicable electric company’s standard offer service rate for each month that each affected customer was enrolled.

(III) The Commission shall determine how the electricity supplier shall provide restitution to each affected customer.

(4) Just cause includes:

(i) intentionally providing false information to the Commission;

(ii) switching, or causing to be switched, the electricity supply for a customer without first obtaining the customer’s permission;

(iii) failing to provide electricity for its customers;

(iv) committing fraud or engaging in deceptive practices;

(v) failing to maintain financial integrity;

(vi) violating a Commission regulation or order;

(vii) failing to pay, collect, remit, or calculate accurately applicable State or local taxes;
(viii) violating a provision of this article or any other applicable consumer protection law of the State;

(ix) conviction of a felony by the licensee or principal of the licensee or any crime involving fraud, theft, or deceit; and

(x) suspension or revocation of a license by any State or federal authority.

7–603.

(a) The Commission shall license gas suppliers and shall have the same authority as the Commission has under § 7–507 of this title for electricity suppliers, including the authority to:

(1) revoke or suspend a license;

(2) impose a moratorium, civil penalty, or other remedy; or

(3) order a refund for or credit to a customer.

(b) The Commission shall adopt licensing requirements and procedures for gas suppliers that protect consumers, the public interest, and the collection of all State and local taxes.

(c)(1) If, after notice and a hearing, the Commission determines that a gas supplier’s actions meet one or more of the just cause standards set forth in § 7–507(k)(4) of this title and have resulted in financial harm to one or more customers, the Commission shall issue an order requiring the gas supplier to:

(I) cease and desist from the actions that met one or more of the just cause standards; and

(II) take affirmative actions, including monetary restitution to all customers harmed by the gas supplier’s actions.

(2) Restitution under this subsection shall be equal to the difference between the rate charged by the gas supplier and the applicable gas company’s gas commodity rate for each month that each affected customer was enrolled.

(3) The Commission shall determine how the gas supplier shall provide restitution to each affected customer.
(a) On or before July 1, 2001, the Commission shall adopt consumer protection orders or regulations for gas suppliers that:

(1) protect consumers from discriminatory, unfair, deceptive, and anticompetitive acts and practices in the marketing, selling, or distributing of natural gas;

(2) provide for contracting, enrollment, and billing practices and procedures; [and]

(3) REQUIRES BILLS FOR GAS SUPPLY TO CONTAIN INFORMATION SET FORTH IN A TABLE OR CHART THAT:

(I) COMPARES THE GAS SUPPLIER’S RATE TO THE APPLICABLE GAS COMPANY’S GAS COMMODITY RATE;

(II) CALCULATES A COMPARISON OF THE COST OF GAS SUPPLY BASED ON THE CUSTOMER’S MONTHLY USAGE WITH THE COMMODITY RATE; AND

(III) LISTS THE ACTUAL PRICE DIFFERENCES BETWEEN THE RATES; AND

(4) the Commission considers necessary to protect the consumer.

(b) In adopting orders and regulations under this section, unless the Commission determines that the circumstances do not require consistency, the Commission shall:

(1) provide customers with protections consistent with applicable protections provided to retail electric customers; and

(2) impose appropriate requirements on gas suppliers that are consistent with applicable requirements imposed on electricity suppliers.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.