

SENATE BILL 685

C5, M5

0lr1919
CF HB 1224

By: **Senators Washington, Benson, and Kelley**

Introduced and read first time: February 3, 2020

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 9, 2020

CHAPTER _____

1 AN ACT concerning

2 **Electricity and Gas – Energy Suppliers – Assisted Customers**

3 FOR the purpose of prohibiting, with a certain exception, a retail electricity supplier from
4 knowingly enrolling a certain residential customer with or submitting an enrollment
5 to change a certain customer's electricity supplier to a competitive supplier under
6 certain circumstances; requiring an electric company to confirm certain matters in
7 its records at a certain time; requiring, with a certain exception, an electric company
8 to reject a certain enrollment or change request under certain circumstances;
9 requiring an electric company to verify a certain customer's status at a certain time;
10 ~~providing that an electric customer is considered to have chosen standard offer~~
11 ~~service if the customer has received certain assistance during a certain period;~~
12 authorizing a residential retail electricity supplier and a retail natural gas supplier,
13 beginning on and after a certain date, to apply to the Public Service Commission to
14 offer a certain plan to certain customers; requiring the Commission to initiate a
15 proceeding to consider whether to approve a supplier's application to offer a certain
16 plan; requiring certain plans to charge certain rates; prohibiting, with a certain
17 exception, a retail natural gas supplier from knowingly enrolling a certain
18 residential customer with or submitting an enrollment to change a certain
19 customer's natural gas supplier to a competitive supplier under certain
20 circumstances; requiring a gas company to confirm certain matters in its records at
21 a certain time; requiring, with a certain exception, a gas company to reject a certain
22 enrollment or change request under certain circumstances; requiring a gas company
23 to verify a certain customer's status at a certain time; providing that a natural gas
24 customer is considered to purchase natural gas supply from the gas company if the
25 customer has received certain assistance during a certain period; providing that

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 certain agreements for electricity supply and natural gas supply are void and
 2 unenforceable under certain circumstances; providing for the application of this Act;
 3 providing that existing obligations or contract rights may not be impaired by this
 4 Act; and generally relating to electricity and natural gas supply.

5 BY adding to

6 Article – Public Utilities

7 Section 7–505(e) and 7–604.2

8 Annotated Code of Maryland

9 (2010 Replacement Volume and 2019 Supplement)

10 ~~BY repealing and reenacting, with amendments,~~

11 ~~Article – Public Utilities~~

12 ~~Section 7–510(e)(2)~~

13 ~~Annotated Code of Maryland~~

14 ~~(2010 Replacement Volume and 2019 Supplement)~~

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

17 **Article – Public Utilities**

18 7–505.

19 **(E) (1) ~~ON~~ EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS**
 20 **SUBSECTION, ON AND AFTER NOVEMBER 1, 2020, A RETAIL ELECTRICITY SUPPLIER**
 21 **MAY NOT KNOWINGLY ENROLL A RESIDENTIAL CUSTOMER WITH, OR SUBMIT AN**
 22 **ENROLLMENT TO CHANGE A RESIDENTIAL CUSTOMER’S ELECTRICITY SUPPLIER TO,**
 23 **A COMPETITIVE SUPPLIER, IF THE RECORDS OF THE ELECTRIC COMPANY INDICATE**
 24 **THAT DURING THE PRECEDING 12 MONTHS THE CUSTOMER HAS:**

25 **(I) RECEIVED FINANCIAL ASSISTANCE DURING THE**
 26 **PRECEDING 12 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE**
 27 **OF HOME ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR**

28 **(II) PARTICIPATED IN ANY ASSISTANCE PROGRAM AUTHORIZED**
 29 **BY THE COMMISSION.**

30 **(2) (I) BEFORE AN ELECTRIC COMPANY ENROLLS A RESIDENTIAL**
 31 **CUSTOMER WITH, OR EXECUTES A CHANGE IN A RESIDENTIAL CUSTOMER’S**
 32 **ELECTRICITY SUPPLIER TO, A COMPETITIVE SUPPLIER, THE ELECTRIC COMPANY**
 33 **SHALL CONFIRM AT THE TIME OF THE REQUEST WHETHER ITS RECORDS INDICATE**
 34 **THAT DURING THE PRECEDING 12 MONTHS THE CUSTOMER HAS:**

1 1. RECEIVED FINANCIAL ASSISTANCE DURING THE
2 PRECEDING 12 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE
3 OF HOME ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR

4 2. PARTICIPATED IN ANY ASSISTANCE PROGRAM
5 AUTHORIZED BY THE COMMISSION.

6 (ii) ~~IF EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS~~
7 SUBSECTION, IF THE CUSTOMER HAS RECEIVED ASSISTANCE OR PARTICIPATED IN A
8 PROGRAM UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE ELECTRIC
9 COMPANY SHALL REJECT THE ENROLLMENT OR CHANGE REQUEST FOR THE
10 CUSTOMER.

11 (3) THE ELECTRIC COMPANY SHALL VERIFY THE STATUS OF A
12 RESIDENTIAL CUSTOMER RECEIVING ASSISTANCE AT THE TIME OF EACH
13 COMPETITIVE SUPPLY CONTRACT RENEWAL OR CHANGE IN COMMODITY PRICE.

14 (4) AN AGREEMENT BETWEEN A RETAIL ELECTRICITY SUPPLIER AND
15 A RESIDENTIAL CUSTOMER IN VIOLATION OF THIS SECTION IS VOID AND
16 UNENFORCEABLE.

17 (5) (i) ON AND AFTER NOVEMBER 1, 2020, A RESIDENTIAL RETAIL
18 ELECTRICITY SUPPLIER MAY APPLY TO THE COMMISSION TO OFFER A SAVINGS
19 GUARANTEE PLAN TO CUSTOMERS WHO RECEIVE FINANCIAL ASSISTANCE THROUGH
20 ANY PROGRAM ADMINISTERED BY THE OFFICE OF HOME ENERGY SERVICES IN THE
21 DEPARTMENT OF HUMAN SERVICES OR ANY ASSISTANCE PROGRAM AUTHORIZED
22 BY THE COMMISSION.

23 (ii) THE COMMISSION SHALL INITIATE A PROCEEDING TO
24 DETERMINE WHETHER TO APPROVE A SUPPLIER'S APPLICATION TO OFFER A
25 SAVINGS GUARANTEE PLAN.

26 (iii) AT A MINIMUM, THE SAVINGS GUARANTEE PLAN SHALL
27 CHARGE A RATE EACH MONTH TO CUSTOMERS FOR ELECTRICITY SUPPLY THAT IS
28 LESS THAN THE RATE CHARGED IN THAT MONTH BY THE ELECTRIC COMPANY
29 SERVING THE CONSUMER.

30 ~~7-510.~~

31 (e) ~~(2) Electricity supply purchased from a customer's electric company is~~
32 ~~known as standard offer service. A customer is considered to have chosen the standard offer~~
33 ~~service if the customer:~~

34 (i) ~~is not allowed to choose an electricity supplier under the phase~~
35 ~~in of customer choice in subsection (a) of this section;~~

- 1 (ii) ~~contracts for electricity with an electricity supplier and it is not~~
 2 ~~delivered;~~
- 3 (iii) ~~cannot arrange for electricity from an electricity supplier;~~
- 4 (iv) ~~does not choose an electricity supplier;~~
- 5 (v) ~~chooses the standard offer service; [or]~~
- 6 (vi) ~~has been denied service or referred to the standard offer service~~
 7 ~~by an electricity supplier in accordance with § 7-507(e)(6) of this subtitle; OR~~

8 ~~(vii) HAS:~~

9 ~~1. RECEIVED FINANCIAL ASSISTANCE DURING THE~~
 10 ~~PRECEDING 12 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE~~
 11 ~~OF HOME ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR~~

12 ~~2. PARTICIPATED IN ANY ASSISTANCE PROGRAM~~
 13 ~~AUTHORIZED BY THE COMMISSION.~~

14 **7-604.2.**

15 (A) ~~ON EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, ON AND~~
 16 ~~AFTER NOVEMBER 1, 2020, A RETAIL NATURAL GAS SUPPLIER MAY NOT KNOWINGLY~~
 17 ~~ENROLL A RESIDENTIAL CUSTOMER WITH, OR SUBMIT AN ENROLLMENT TO CHANGE~~
 18 ~~A RESIDENTIAL CUSTOMER'S NATURAL GAS SUPPLIER TO, A COMPETITIVE~~
 19 ~~SUPPLIER, IF THE RECORDS OF THE GAS COMPANY INDICATE THAT DURING THE~~
 20 ~~PRECEDING 12 MONTHS THE CUSTOMER HAS:~~

21 (1) RECEIVED FINANCIAL ASSISTANCE DURING THE PRECEDING 12
 22 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE OF HOME
 23 ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR

24 (2) PARTICIPATED IN ANY ASSISTANCE PROGRAM AUTHORIZED BY
 25 THE COMMISSION.

26 (B) (1) BEFORE A GAS COMPANY ENROLLS A RESIDENTIAL CUSTOMER
 27 WITH, OR EXECUTES A CHANGE IN A RESIDENTIAL CUSTOMER'S NATURAL GAS
 28 SUPPLIER TO, A COMPETITIVE SUPPLIER, THE GAS COMPANY SHALL CONFIRM AT
 29 THE TIME OF THE REQUEST WHETHER ITS RECORDS INDICATE THAT DURING THE
 30 PRECEDING 12 MONTHS THE CUSTOMER HAS:

1 (I) RECEIVED FINANCIAL ASSISTANCE DURING THE
2 PRECEDING 12 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE
3 OF HOME ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR

4 (II) PARTICIPATED IN ANY ASSISTANCE PROGRAM AUTHORIZED
5 BY THE COMMISSION.

6 (2) ~~IF EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, IF~~
7 THE CUSTOMER HAS RECEIVED ASSISTANCE OR PARTICIPATED IN A PROGRAM
8 UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE GAS COMPANY SHALL REJECT
9 THE ENROLLMENT OR CHANGE REQUEST FOR THE CUSTOMER.

10 (C) THE GAS COMPANY SHALL VERIFY THE STATUS OF A RESIDENTIAL
11 CUSTOMER RECEIVING ASSISTANCE AT THE TIME OF EACH COMPETITIVE SUPPLY
12 CONTRACT RENEWAL OR CHANGE IN COMMODITY PRICE.

13 (D) A RETAIL NATURAL GAS CUSTOMER IS CONSIDERED TO HAVE CHOSEN
14 TO PURCHASE NATURAL GAS SUPPLY FROM THE GAS COMPANY IF THE CUSTOMER
15 HAS:

16 (1) RECEIVED FINANCIAL ASSISTANCE DURING THE PRECEDING 12
17 MONTHS THROUGH ANY PROGRAM ADMINISTERED BY THE OFFICE OF HOME
18 ENERGY SERVICES OF THE DEPARTMENT OF HUMAN SERVICES; OR

19 (2) PARTICIPATED IN ANY ASSISTANCE PROGRAM AUTHORIZED BY
20 THE COMMISSION.

21 (E) AN AGREEMENT BETWEEN A RETAIL GAS SUPPLIER AND A RESIDENTIAL
22 CUSTOMER IN VIOLATION OF THIS SECTION IS VOID AND UNENFORCEABLE.

23 (F) (1) ON AND AFTER NOVEMBER 1, 2020, A RETAIL NATURAL GAS
24 SUPPLIER MAY APPLY TO THE COMMISSION TO OFFER A SAVINGS GUARANTEE PLAN
25 TO CUSTOMERS WHO RECEIVE FINANCIAL ASSISTANCE THROUGH ANY PROGRAM
26 ADMINISTERED BY THE OFFICE OF HOME ENERGY SERVICES IN THE DEPARTMENT
27 OF HUMAN SERVICES OR ANY ASSISTANCE PROGRAM AUTHORIZED BY THE
28 COMMISSION.

29 (2) THE COMMISSION SHALL INITIATE A PROCEEDING TO
30 DETERMINE WHETHER TO APPROVE A SUPPLIER'S APPLICATION TO OFFER A
31 SAVINGS GUARANTEE PLAN.

32 (3) AT A MINIMUM, THE SAVINGS GUARANTEE PLAN SHALL CHARGE A
33 RATE EACH MONTH TO CUSTOMERS FOR NATURAL GAS SUPPLY THAT IS LESS THAN

1 THE RATE CHARGED IN THAT MONTH BY THE NATURAL GAS COMPANY SERVING THE
2 CONSUMER.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
4 contracts for electricity and natural gas supply for customers in the State on and after
5 November 1, 2020, including contracts that are renewed or that have any change in the
6 price for the energy commodity supply on or after that date.

7 SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing obligation
8 or contract right may not be impaired in any way by this Act.

9 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2020.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.