

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulations
Public Service Commission
(DLS Control No. 16-062)**

Overview and Legal and Fiscal Impact

These regulations (1) alter the conditions under which a utility may terminate service without notice; (2) alter certain record and reporting requirements that a utility must follow when terminating service without notice; (3) establish notice requirements that take effect when a utility terminates service for unauthorized use or tampering of equipment; and (4) specify requirements related to “user without account” notices and terminations.

These regulations present no legal issues of concern.

There is no fiscal impact on State agencies and a potential minimal impact on local governments.

Regulations of COMAR Affected

Public Service Commission:

Terminations of Services: General Regulations: COMAR 20.31.01.02

Terminations: COMAR 20.31.02.03 and .07

Legal Analysis

Summary of Regulations

Termination Without Notice

The regulations alter the circumstances under which a utility (defined as an electric company, gas company, or a combination gas and electric company) may terminate service to a customer without notice. The regulations state that a utility may terminate service based on (1) a condition on the premises that the utility determines to be hazardous; (2) the use of equipment that adversely affects the utility’s equipment or service to others, regardless of whether the use was by the customer or another person; (3) tampering with utility equipment, regardless of whether the tampering was by the customer or another person; or (4) unauthorized use of service by any method, regardless of whether the unauthorized use was by the customer or another person. Each utility must provide an annual report to the Public Service Commission on the terminations made without prior notice, and must maintain records for at least three years that set forth the utility’s basis for its decision to terminate service without notice.

Beginning in 2017, each utility is required to submit to the commission the address where service has been terminated for unauthorized use or tampering with equipment that is furnished and owned by the utility within one business day after the termination of service. On request a local government may have access to the records maintained by the utility on the decision to terminate service without notice on condition that the information is (1) used to protect the life, health, or safety of the occupant of the premises; (2) safeguarded to protect the privacy of an individual; and (3) destroyed within 30 days.

A utility that has terminated service without advanced notice for the unauthorized use or tampering of utility equipment shall provide notice of termination in a certain manner and include certain information. The notice of termination form must be approved by the commission and the utility must track how the notice is provided.

User Without Account

A “user without account” is a person in possession of residential property that (1) is using a regulated utility service without an active account and (2) is not subject to termination without notice. When a utility discovers a user without account, the utility must provide certain written notice to the occupants of the residential property within a certain time period prior to termination of service. The regulation also specifies the contents of the notice.

Legal Issues

These regulations present no legal issues of concern.

Statutory Authority and Legislative Intent

The commission cites §§ 2-113, 2-121, 5-101, and 7-307 of the Public Utilities Article as statutory authority for the regulations. Section 2-113 requires the commission to supervise and regulate the public service companies subject to the jurisdiction of the commission to ensure their operation is in the interest of the public and to prevent unjust discrimination in the delivery of utility services. Section 2-121 authorizes the commission to adopt reasonable regulations as necessary to carry out any law that relates to the commission. Section 5-101 authorizes the commission to adopt regulations that prescribe standards for safe, adequate, reasonable, and proper service for any class of public service company or gas master meter operator. The commission may also enforce the standards adopted. Section 7-307 requires the commission to adopt regulations concerning the prohibition against or limitation of authority of a public service company to terminate service for gas or electricity to certain residential customers for nonpayment during the heating season.

This authority is correct and complete. The regulations comply with the legislative intent of the law.

Fiscal Analysis

There is no fiscal impact on State agencies and a potential minimal impact on local governments.

Agency Estimate of Projected Fiscal Impact

The commission advises that the regulations have minimal or no impact on State or local governments. The regulations have only an operational impact on the commission. The regulations give local governments the option to access the address of residential properties where a utility has terminated service due to meter tampering. Local governments may, but are not required to, take some action to assist the individuals with service terminations. This may result in additional, unquantifiable, expenditures. The Department of Legislative Services concurs and notes that incremental expenditures by local governments, if any, are likely to be minimal.

Impact on Budget

There is no impact on the State operating or capital budget.

Agency Estimate of Projected Small Business Impact

The commission advises that the regulations have minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

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