

SENATE BILL 1

C5, I3, M5

(PRE-FILED)

4lr0927
CF HB 267

By: **Senator Augustine**

Requested: October 11, 2023

Introduced and read first time: January 10, 2024

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: February 23, 2024

CHAPTER _____

1 AN ACT concerning

2 **Electricity and Gas – Retail Supply – Regulation and Consumer Protection**

3 FOR the purpose of altering a certain charge that may be assessed to a public service
4 company; changing the name of the Retail Choice Customer Education and
5 Protection Fund to the Education and Protection Fund; modifying the purpose and
6 uses of the Fund; altering the scope of a certain training and educational program
7 that the Public Service Commission is required to develop; requiring the Commission
8 to require a residential energy retailer to post certain information on the energy
9 retailer’s website; providing for the recovery of certain costs through rates;
10 establishing an energy salesperson license for certain persons that offer or sell
11 electricity supply agreements or gas supply agreements to customers in the State;
12 establishing an energy vendor license for certain persons that provide energy sales
13 services in the State; providing for the terms of electricity supplier, energy
14 salesperson, ~~energy vendor,~~ and gas supplier licenses issued by the ~~Public Service~~
15 Commission; establishing certain licensing and renewal requirements for certain
16 persons; providing for certain disciplinary actions by the Commission against
17 electricity suppliers, gas suppliers, ~~and energy vendors,~~ and energy salespersons for
18 certain acts; altering and establishing the amounts of certain civil penalties that may
19 be assessed with respect to electricity suppliers, gas suppliers, and energy
20 ~~salespersons~~ vendors for certain violations; prohibiting the Commission from
21 imposing a civil penalty on an energy salesperson; establishing certain
22 authorizations and restrictions on the offer and sale of certain electricity supply and
23 gas supply; requiring an electric company ~~and an,~~ a certain electricity supplier, a gas
24 company, and a certain gas supplier to establish a mechanism for a customer to

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 request and receive a certain replacement number under certain circumstances and
 2 to allow a customer to be placed on a certain list regarding electricity service or gas
 3 service; requiring ~~electric companies~~ billing entities to submit to the Commission a
 4 certain monthly report on customer choice; altering the contents of a certain annual
 5 report that each electricity supplier is required to submit to the Commission;
 6 prohibiting a certain electricity supplier from marketing electricity as green power
 7 unless certain conditions are met; requiring an electricity supplier that offers green
 8 power for sale to residential customers to purchase certain renewable energy credits
 9 in excess of the renewable energy portfolio standard ~~in a certain year in an amount~~
 10 ~~equal to the amount of electricity sold to residential customers as green power in~~
 11 ~~that year~~; requiring certain electricity suppliers marketing and selling green power
 12 to residential customers to include ~~a certain disclosure~~ certain disclosures in certain
 13 marketing materials; stating the intent of the General Assembly regarding the
 14 establishment of a certain division within the Commission; allowing the Commission
 15 to impose on certain persons up to a certain amount as a special assessment in a
 16 certain manner; allowing certain funds to be expended for certain purposes in
 17 accordance with an approved budget amendment; requiring, on or before a certain
 18 date, the Commission to develop a certain training and education program; and
 19 generally relating to retail energy supply and consumer protection.

20 BY repealing and reenacting, without amendments,

21 Article – Public Utilities

22 Section 1–101(a), (l), (p), (ee), and (ff), ~~7–310(b)~~ 2–110(a) and (b), 13–101, and
 23 13–201(a) and (b)

24 Annotated Code of Maryland

25 (2020 Replacement Volume and 2023 Supplement)

26 BY adding to

27 Article – Public Utilities

28 Section 1–101(l–1) and (l–2), ~~7–507.1~~ 7–315 through 7–318, 7–603.1, 7–604.2, and
 29 7–707

30 Annotated Code of Maryland

31 (2020 Replacement Volume and 2023 Supplement)

32 BY repealing and reenacting, with amendments,

33 Article – Public Utilities

34 Section 2–110(c)(12), ~~7–310(e)~~ 7–310, 7–311, 7–507, 7–510, 7–602, 7–603, 7–604,
 35 7–605, 7–705(a), and 13–201(e)(3)

36 Annotated Code of Maryland

37 (2020 Replacement Volume and 2023 Supplement)

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

40 **Article – Public Utilities**

41 1–101.

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

2 (l) (1) “Electricity supplier” means a person:

3 (i) who sells:

4 1. electricity;

5 2. electricity supply services;

6 3. competitive billing services; or

7 4. competitive metering services; or

8 (ii) who purchases, brokers, arranges, or markets electricity or
9 electricity supply services for sale to a retail electric customer.

10 (2) “Electricity supplier” includes an electric company, an aggregator, a
11 broker, and a marketer of electricity.

12 (3) “Electricity supplier” does not include:

13 (i) the following persons who supply electricity and electricity
14 supply services solely to occupants of a building for use by the occupants:

15 1. an owner/operator who holds ownership in and manages
16 the internal distribution system serving the building; or

17 2. a lessee/operator who holds a leasehold interest in and
18 manages the internal distribution system serving the building;

19 (ii) a person who generates on-site generated electricity; or

20 (iii) a person that owns or operates equipment used for charging
21 electric vehicles, including a person that owns or operates:

22 1. an electric vehicle charging station;

23 2. electric vehicle supply equipment; or

24 3. an electric vehicle charging station service company or
25 provider.

26 **(L-1) (1) “ENERGY SALESPERSON” MEANS AN INDIVIDUAL WHO IS**
27 **LICENSED BY THE COMMISSION TO SELL:**

1 ~~(1)~~ **(1) ELECTRICITY OR ELECTRICITY SUPPLY SERVICES TO**
 2 **RESIDENTIAL RETAIL ELECTRIC CUSTOMERS ON BEHALF OF AN ELECTRICITY**
 3 **SUPPLIER AS AN EMPLOYEE OR AGENT OF THE ELECTRICITY SUPPLIER; OR**

4 ~~(2)~~ **(II) GAS OR GAS SUPPLY SERVICES TO RESIDENTIAL RETAIL GAS**
 5 **CUSTOMERS ON BEHALF OF A GAS SUPPLIER AS AN EMPLOYEE OR AGENT OF THE**
 6 **GAS SUPPLIER.**

7 **(2) “ENERGY SALESPERSON” DOES NOT INCLUDE:**

8 **(I) THE DEPARTMENT OF GENERAL SERVICES WHEN THE**
 9 **DEPARTMENT OF GENERAL SERVICES SELLS ENERGY UNDER § 7-704.4 OF THIS**
 10 **ARTICLE;**

11 **(II) THE WASHINGTON SUBURBAN SANITARY COMMISSION**
 12 **WHEN THE WASHINGTON SUBURBAN SANITARY COMMISSION SELLS ENERGY**
 13 **UNDER DIVISION II OF THIS ARTICLE;**

14 **(III) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF**
 15 **THIS ARTICLE; OR**

16 **(IV) AN EMPLOYEE OR CONTRACTOR OF AN ELECTRIC COMPANY**
 17 **WHEN THE EMPLOYEE OR CONTRACTOR IS PERFORMING DUTIES SPECIFIC TO**
 18 **STANDARD OFFER SERVICE.**

19 **(L-2) “ENERGY VENDOR” MEANS A PERSON THAT HAS A CONTRACT OR**
 20 **SUBCONTRACT TO PROVIDE ENERGY SALES SERVICES TO AN ELECTRICITY**
 21 **SUPPLIER OR A GAS SUPPLIER THAT PROVIDES ELECTRICITY SUPPLY SERVICES OR**
 22 **GAS SUPPLY SERVICES, RESPECTIVELY, TO A RESIDENTIAL CUSTOMER.**

23 (p) (1) “Gas supplier” means a person who:

24 (i) sells:

25 1. gas;

26 2. gas supply services; or

27 3. competitive billing services for gas supply services; or

28 (ii) purchases, brokers, arranges, or markets gas or gas supply
 29 services for sale to a retail gas customer.

30 (2) “Gas supplier” includes an aggregator, a broker, and a marketer of gas.

1 (3) “Gas supplier” does not include:

2 (i) a gas company to the extent that the gas company provides gas
3 sales or delivery service at rates regulated by the Commission;

4 (ii) the following persons who supply gas solely to occupants of a
5 building for use by the occupants:

6 1. an owner/operator who holds ownership in and manages
7 the internal distribution system serving the building; and

8 2. a lessee/operator who holds a leasehold interest in and
9 manages the internal distribution system serving the building; or

10 (iii) a person who transmits or distributes gas within a site owned by
11 the person or the person’s affiliate that is incidental to a primarily landlord–tenant
12 relationship.

13 (ee) (1) “Retail electric customer” means a purchaser of electricity for end use
14 in the State.

15 (2) “Retail electric customer” includes:

16 (i) a person that owns or operates equipment used for charging
17 electric vehicles, including:

18 1. an electric vehicle charging station;

19 2. electric vehicle supply equipment; or

20 3. an electric vehicle charging station service company or
21 provider; and

22 (ii) a person that charges an electric vehicle at an electric vehicle
23 charging station that the person owns or operates.

24 (3) “Retail electric customer” does not include:

25 (i) an occupant of a building in which the owner/operator or
26 lessee/operator manages the internal distribution system serving the building and supplies
27 electricity and electricity supply services solely to occupants of the building for use by the
28 occupants;

29 (ii) a person who generates on–site generated electricity, to the
30 extent the on–site generated electricity is consumed by that person or its tenants; or

1 (iii) except as provided in paragraph (2)(ii) of this subsection, a
2 person that charges an electric vehicle at an electric vehicle charging station.

3 (ff) (1) "Retail gas customer" means a purchaser of gas for end use in the State.

4 (2) "Retail gas customer" excludes an occupant of a building in which the
5 owner/operator or lessee/operator manages the internal distribution system serving the
6 building and supplies gas and gas supply services solely to occupants of the building for use
7 by the occupants.

8 2-110.

9 (a) In this section, "public service company" includes an electricity supplier and a
10 gas supplier as those terms are defined in § 1-101 of this article.

11 (b) (1) The costs and expenses of the Commission and the Office of People's
12 Counsel shall be borne by the public service companies that are subject to the Commission's
13 jurisdiction.

14 (2) The costs and expenses shall be assessed as provided in this section.

15 (3) The Commission shall pay the money that it collects for the assessment
16 under this section into the Public Utility Regulation Fund in the State Treasury established
17 under § 2-110.1 of this subtitle to reimburse the State for the expenses of the Commission
18 and the Office of People's Counsel.

19 (c) (12) The total amount that may be charged to a public service company
20 under this section for a State fiscal year may not exceed:

21 (i) [0.25%] 0.50% of the public service company's gross operating
22 revenues derived from intrastate utility and electricity supplier operations in the preceding
23 calendar year, or other 12-month period that the Chairman determines, for the costs and
24 expenses of the Commission other than that of the Office of People's Counsel; plus

25 (ii) 0.074% of those revenues for the costs and expenses of the Office
26 of People's Counsel.

27 7-310.

28 ~~(b) There is a Retail Choice Customer Education and Protection Fund.~~

29 ~~(e) (1) The Fund is a special, [nonlapsing] NONLAPSING fund that is not~~
30 ~~subject to § 7-302 of the State Finance and Procurement Article.~~

31 ~~(2) The State Treasurer shall hold the Fund separately, and the~~
32 ~~Comptroller shall account for the Fund.~~

1 (a) In this section, “Fund” means the [Retail Choice Customer] Education and
2 Protection Fund.

3 (b) There is [a Retail Choice Customer] AN Education and Protection Fund.

4 (c) The purpose of the Fund is to provide resources to improve the Commission’s
5 ability to:

6 (1) educate customers on:

7 (I) retail electric and gas choice; and

8 (II) ENERGY CHOICES THAT HELP MEET THE STATE’S CLIMATE
9 COMMITMENTS UNDER §§ 7–211 AND 7–211.2 OF THIS TITLE AND §§ 2–1204.1 AND
10 2–1204.2 OF THE ENVIRONMENT ARTICLE;

11 (2) protect customers from unfair, false, misleading, or deceptive practices
12 by electricity SUPPLIERS, ENERGY SALESPERSONS, ENERGY VENDORS, or gas
13 suppliers; AND

14 (3) DEVELOP A TRAINING AND EDUCATIONAL PROGRAM FOR
15 ELECTRICITY SUPPLIERS, GAS SUPPLIERS, ENERGY SALESPERSONS, AND ENERGY
16 VENDORS AS PROVIDED UNDER § 7–311 OF THIS SUBTITLE.

17 (d) The Commission shall administer the Fund.

18 (e) (1) The Fund is a special, [nonlapsing] NONLAPSING fund that is not
19 subject to § 7–302 of the State Finance and Procurement Article.

20 (2) The State Treasurer shall hold the Fund separately, and the
21 Comptroller shall account for the Fund.

22 (f) The Fund consists of:

23 (1) revenue distributed to the Fund under § 13–201(e)(3) of this article;

24 (2) money appropriated in the State budget to the Fund; and

25 (3) any other money from any other source accepted for the benefit of the
26 Fund.

27 (g) The Fund may be used only to:

28 (1) educate retail electric or gas customers on retail choice AND ENERGY
29 CHOICES THAT HELP TO MEET THE STATE’S CLIMATE COMMITMENTS UNDER §§

1 7-211 AND 7-211.2 OF THIS TITLE AND §§ 2-1204.1 AND 2-1204.2 OF THE
2 ENVIRONMENT ARTICLE; [and]

3 (2) improve customer protections for retail electric or gas customers; AND

4 (3) DEVELOP A TRAINING AND EDUCATIONAL PROGRAM FOR
5 ELECTRICITY SUPPLIERS, GAS SUPPLIERS, ENERGY SALESPERSONS, AND ENERGY
6 VENDORS AS PROVIDED UNDER § 7-311 OF THIS SUBTITLE.

7 (h) (1) The State Treasurer shall invest the money of the Fund in the same
8 manner as other State money may be invested.

9 (2) Any investment earnings of the Fund shall be credited to the General
10 Fund of the State.

11 (i) Expenditures from the Fund may be made only in accordance with the State
12 budget.

13 7-311.

14 (a) The Commission shall develop a training and educational program for any
15 entity or individual that is licensed by the Commission as an electricity supplier [or], a gas
16 supplier, AN ENERGY SALESPERSON, OR AN ENERGY VENDOR.

17 (b) The Commission shall develop the program in consultation with interested
18 stakeholders, including electricity suppliers [and], gas suppliers, ENERGY
19 SALESPERSONS, AND ENERGY VENDORS.

20 (c) The program shall require that a designated representative of each licensed
21 electricity supplier [or], licensed gas supplier, LICENSED ENERGY VENDOR, OR
22 LICENSED ENERGY SALESPERSON demonstrate a thorough understanding of the
23 Commission's regulations regarding:

24 (1) sales;

25 (2) consumer protection; and

26 (3) any other matter the Commission deems appropriate.

27 (d) At the conclusion of the training, the Commission shall:

28 (1) conduct an examination; and

29 (2) on a satisfactory score, certify that the designated representative of the
30 licensed electricity supplier [or], licensed gas supplier, LICENSED ENERGY
31 SALESPERSON, OR LICENSED ENERGY VENDOR has successfully completed the training.

1 (e) (1) The Commission shall determine the schedule and frequency by which
2 a designated representative of a licensed electricity supplier [or], licensed gas supplier,
3 **LICENSED ENERGY SALESPERSON, OR LICENSED ENERGY VENDOR** must complete the
4 training and certification.

5 (2) A designated representative of a new electricity supplier [or], gas
6 supplier, ENERGY SALESPERSON, OR ENERGY VENDOR shall complete the training and
7 certification prior to the issuance of a license.

8 (f) The Commission may adopt regulations that include appropriate penalties or
9 sanctions for failure to comply with this section.

10 (g) (1) The Commission shall use [the assessments collected in accordance
11 with § 2-110 of this article] **THE FOLLOWING FUNDING SOURCES** for the initial
12 development of the training and educational program:

13 (I) **THE ASSESSMENTS COLLECTED IN ACCORDANCE WITH §**
14 **2-110 OF THIS ARTICLE; OR**

15 (II) **FUNDS DEPOSITED INTO THE EDUCATION AND**
16 **PROTECTION FUND IN ACCORDANCE WITH § 7-310 OF THIS SUBTITLE.**

17 (2) The Commission may establish reasonable fees to pay for the costs of
18 the program.

19 **7-315.**

20 (A) (1) **IN THIS SECTION, “RESIDENTIAL ENERGY RETAILER” INCLUDES:**

21 (I) **AN ELECTRICITY SUPPLIER THAT SUPPLIES ELECTRICITY**
22 **TO RESIDENTIAL RETAIL ELECTRIC CUSTOMERS;**

23 (II) **A GAS SUPPLIER THAT SUPPLIES GAS TO RESIDENTIAL**
24 **RETAIL GAS CUSTOMERS;**

25 (III) **AN ENERGY SALESPERSON; AND**

26 (IV) **AN ENERGY VENDOR.**

27 (2) **“RESIDENTIAL ENERGY RETAILER” DOES NOT INCLUDE:**

28 (I) **THE DEPARTMENT OF GENERAL SERVICES WHEN THE**
29 **DEPARTMENT OF GENERAL SERVICES SELLS ENERGY UNDER § 7-704.4 OF THIS**
30 **TITLE; ~~OR~~**

1 **(II) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF**
2 **THIS TITLE;**

3 **(III) AN ELECTRICITY SUPPLIER THAT SUPPLIES ELECTRICITY**
4 **TO COMMERCIAL RETAIL ELECTRIC CUSTOMERS; OR**

5 **(IV) A GAS SUPPLIER THAT SUPPLIES GAS TO COMMERCIAL**
6 **RETAIL GAS CUSTOMERS.**

7 **(B) THE COMMISSION MAY ADOPT REGULATIONS TO:**

8 **(1) REQUIRE A RESIDENTIAL ENERGY RETAILER TO POST NOTICES**
9 **AND DISCLOSURES REQUIRED UNDER THIS TITLE ON THE RETAILER'S WEBSITE:**

10 **(I) IN A PROMINENT LOCATION;**

11 **(II) USING AT LEAST A CERTAIN MINIMUM FONT SIZE; AND**

12 **(III) IN A FORMAT APPROVED BY THE COMMISSION; AND**

13 **(2) REQUIRE OR PROHIBIT THE USE OF SPECIFIC LANGUAGE IN A**
14 **RESIDENTIAL ENERGY RETAILER'S MARKETING MATERIALS, DISCLAIMERS,**
15 **DISCLOSURES, AND LEGAL DOCUMENTS, INCLUDING REQUIRING OR PROHIBITING**
16 **THE USE OF SPECIFIC LANGUAGE BASED ON SERVICE OR PRODUCT TYPE.**

17 **(C) THE COMMISSION SHALL REQUIRE A RESIDENTIAL ENERGY RETAILER**
18 **TO POST ON THE RETAILER'S WEBSITE, IN CLEAR AND UNAMBIGUOUS LANGUAGE:**

19 **(1) THE TERMS AND CONDITIONS OF THE RESIDENTIAL SERVICES**
20 **AND PRODUCTS SOLD BY THE RETAILER; AND**

21 **(2) AN ENVIRONMENTAL DISCLOSURE, IN A FORMAT REQUIRED BY**
22 **THE COMMISSION, FOR THE RESIDENTIAL SERVICES AND PRODUCTS SOLD BY THE**
23 **RETAILER.**

24 **7-316.**

25 **(A) IN THIS SECTION, "MARKETING" DOES NOT INCLUDE MATERIALS TO**
26 **EDUCATE OR INFORM A RETAIL CUSTOMER ABOUT STANDARD OFFER SERVICE,**
27 **DEFAULT GAS COMMODITY SERVICE, OR CUSTOMER CHOICE.**

28 **(B) AN ELECTRIC COMPANY AND A GAS COMPANY MAY NOT RECOVER**
29 **THROUGH ITS RATES ANY COSTS ASSOCIATED WITH MARKETING ITS SERVICES.**

1 (C) AN ELECTRIC COOPERATIVE MAY RECOVER THROUGH ITS RATES ANY
2 COSTS ASSOCIATED WITH MARKETING ITS SERVICES, INCLUDING THE COSTS
3 ASSOCIATED WITH MATERIALS THAT EDUCATE OR INFORM A RETAIL CUSTOMER
4 ABOUT STANDARD OFFER SERVICE OR CUSTOMER CHOICE.

5 7-317.

6 (A) (1) BEGINNING JULY 1, 2025, A PERSON MAY NOT ENGAGE IN THE
7 BUSINESS OF AN ENERGY SALESPERSON IN THE STATE UNLESS THE PERSON HOLDS
8 A LICENSE ISSUED BY THE COMMISSION.

9 (2) A LICENSED ENERGY SALESPERSON MAY OFFER OR SELL
10 ELECTRICITY SUPPLY AGREEMENTS OR GAS SUPPLY AGREEMENTS TO CUSTOMERS
11 IN THE STATE ONLY IF THE ENERGY SALESPERSON IS ASSOCIATED WITH A LICENSED
12 ELECTRICITY SUPPLIER OR LICENSED GAS SUPPLIER, RESPECTIVELY.

13 (B) (1) AN APPLICATION FOR AN ENERGY SALESPERSON LICENSE SHALL:

14 (I) BE MADE TO THE COMMISSION IN WRITING ON A FORM
15 ADOPTED BY THE COMMISSION;

16 (II) BE VERIFIED BY OATH OR AFFIRMATION; AND

17 (III) CONTAIN INFORMATION THAT THE COMMISSION REQUIRES,
18 INCLUDING:

19 1. PROOF OF ASSOCIATION WITH A LICENSED
20 ELECTRICITY SUPPLIER OR LICENSED GAS SUPPLIER, AS APPROPRIATE;

21 2. PROOF OF COMPLIANCE WITH ALL APPLICABLE
22 TRAINING REQUIREMENTS FOR CUSTOMER PROTECTION UNDER THIS SUBTITLE
23 AND SUBTITLES 5 AND 6 OF THIS TITLE AS REQUIRED BY THE COMMISSION; AND

24 3. PAYMENT OF THE APPLICABLE LICENSING FEE.

25 (2) (I) THE TERM OF AN ENERGY SALESPERSON LICENSE IS 3
26 YEARS.

27 (II) THE TERMS OF LICENSES MAY BE STAGGERED AS
28 DETERMINED BY THE COMMISSION.

1 (III) SUBJECT TO SUBPARAGRAPH (V) OF THIS PARAGRAPH,
2 UNLESS A LICENSE IS RENEWED FOR A 3-YEAR TERM IN ACCORDANCE WITH THIS
3 SUBSECTION, THE LICENSE EXPIRES ON THE DATE THAT THE COMMISSION SETS.

4 (IV) A LICENSEE MAY RENEW A LICENSE FOR A 3-YEAR TERM
5 BEFORE THE LICENSE EXPIRES IF THE LICENSEE:

6 1. OTHERWISE IS ENTITLED TO BE LICENSED;

7 2. SUBMITS TO THE COMMISSION A RENEWAL
8 APPLICATION ON THE FORM THAT THE COMMISSION PROVIDES; AND

9 3. PAYS TO THE COMMISSION THE APPLICABLE
10 RENEWAL FEE SET BY THE COMMISSION.

11 (V) A LICENSEE MAY CONTINUE TO PROVIDE SERVICES AS AN
12 ENERGY SALESPERSON AFTER THE LICENSEE'S LICENSE EXPIRES IF THE
13 LICENSEE'S RENEWAL APPLICATION IS SUBMITTED TO THE COMMISSION BEFORE
14 THE LICENSE EXPIRES.

15 (C) THE COMMISSION SHALL, BY REGULATION OR ORDER:

16 (1) REQUIRE PROOF OF FINANCIAL INTEGRITY;

17 (2) REQUIRE A LICENSEE TO POST A BOND OR OTHER SIMILAR
18 INSTRUMENT IF, IN THE COMMISSION'S JUDGMENT, THE BOND OR SIMILAR
19 INSTRUMENT IS NECESSARY TO ENSURE AN ENERGY SALESPERSON'S FINANCIAL
20 INTEGRITY; AND

21 (3) ADOPT ANY OTHER REQUIREMENTS THE COMMISSION FINDS TO
22 BE IN THE PUBLIC INTEREST.

23 (D) A LICENSE ISSUED UNDER THIS SECTION MAY NOT BE TRANSFERRED
24 WITHOUT PRIOR COMMISSION APPROVAL.

25 7-318.

26 (A) BEGINNING JULY 1, 2025, A PERSON MAY NOT ENGAGE IN THE BUSINESS
27 OF AN ENERGY VENDOR IN THE STATE UNLESS THE PERSON HOLDS A LICENSE
28 ISSUED BY THE COMMISSION.

29 (B) (1) AN APPLICATION FOR AN ENERGY VENDOR LICENSE SHALL:

1 (I) BE MADE TO THE COMMISSION IN WRITING ON A FORM
2 ADOPTED BY THE COMMISSION;

3 (II) BE VERIFIED BY OATH OR AFFIRMATION; AND

4 (III) CONTAIN INFORMATION THAT THE COMMISSION REQUIRES,
5 INCLUDING PAYMENT OF THE APPLICABLE LICENSING FEE.

6 (2) (I) THE TERM OF AN ENERGY VENDOR LICENSE IS 3 YEARS.

7 (II) THE TERMS OF LICENSES MAY BE STAGGERED AS
8 DETERMINED BY THE COMMISSION.

9 (III) UNLESS A LICENSE IS RENEWED FOR A 3-YEAR TERM IN
10 ACCORDANCE WITH THIS SUBSECTION, THE LICENSE EXPIRES ON THE DATE THAT
11 THE COMMISSION SETS.

12 (IV) A LICENSEE MAY RENEW A LICENSE FOR A 3-YEAR TERM
13 BEFORE THE LICENSE EXPIRES IF THE LICENSEE:

14 1. OTHERWISE IS ENTITLED TO BE LICENSED;

15 2. SUBMITS TO THE COMMISSION A RENEWAL
16 APPLICATION ON THE FORM THAT THE COMMISSION PROVIDES; AND

17 3. PAYS TO THE COMMISSION THE APPLICABLE
18 RENEWAL FEE SET BY THE COMMISSION.

19 (C) THE COMMISSION SHALL, BY REGULATION OR ORDER:

20 (1) REQUIRE PROOF OF FINANCIAL INTEGRITY;

21 (2) REQUIRE A LICENSEE TO POST A BOND OR OTHER SIMILAR
22 INSTRUMENT IF, IN THE COMMISSION'S JUDGMENT, THE BOND OR SIMILAR
23 INSTRUMENT IS NECESSARY TO ENSURE AN ENERGY VENDOR'S FINANCIAL
24 INTEGRITY; AND

25 (3) ADOPT ANY OTHER REQUIREMENTS THE COMMISSION FINDS TO
26 BE IN THE PUBLIC INTEREST.

27 (D) A LICENSE ISSUED UNDER THIS SECTION MAY NOT BE TRANSFERRED
28 WITHOUT PRIOR COMMISSION APPROVAL.

(a) A person, other than an electric company providing standard offer service under § 7–510(c) of this subtitle, a municipal electric utility serving customers solely in its distribution territory, **THE DEPARTMENT OF GENERAL SERVICES SELLING ENERGY UNDER § 7–704.4 OF THIS TITLE**, or a community choice aggregator under § 7–510.3 of this subtitle, may not engage in the business of an electricity supplier in the State unless the person holds a license issued by the Commission.

(b) (1) An application for an electricity supplier license shall:

[(1)] (I) be made to the Commission in writing on a form adopted by the Commission;

[(2)] (II) be verified by oath or affirmation; and

[(3)] (III) contain information that the Commission requires, including:

[(i)] 1. proof of technical and managerial competence;

[(ii)] 2. proof of compliance with all applicable requirements of the Federal Energy Regulatory Commission, and any independent system operator or regional or system transmission operator to be used by the licensee;

[(iii)] 3. a certification of compliance with applicable federal and State environmental laws and regulations that relate to the generation of electricity; and

[(iv)] 4. payment of the applicable licensing fee.

(2) (I) **THE TERM OF ~~AN~~ A RESIDENTIAL ELECTRICITY SUPPLIER LICENSE IS 3 YEARS.**

(II) **THE TERMS OF LICENSES MAY BE STAGGERED AS DETERMINED BY THE COMMISSION.**

(III) **UNLESS A LICENSE FOR A RESIDENTIAL ELECTRICITY SUPPLIER IS RENEWED FOR A 3–YEAR TERM IN ACCORDANCE WITH THIS SUBSECTION, THE LICENSE EXPIRES ON THE DATE THAT THE COMMISSION SETS.**

(IV) **A LICENSEE MAY RENEW A LICENSE FOR ~~AN ADDITIONAL~~ A 3–YEAR TERM BEFORE THE LICENSE EXPIRES IF THE LICENSEE:**

1. **OTHERWISE IS ENTITLED TO BE LICENSED;**

2. **SUBMITS TO THE COMMISSION A RENEWAL APPLICATION ON THE FORM THAT THE COMMISSION PROVIDES; AND**

1 **3. PAYS TO THE COMMISSION THE APPLICABLE**
2 **RENEWAL FEE SET BY THE COMMISSION.**

3 (c) The Commission shall, by regulation or order:

4 (1) require proof of financial integrity;

5 (2) require a licensee to post a bond or other similar instrument[,] if, in the
6 Commission's judgment, the bond or similar instrument is necessary to insure an electricity
7 supplier's financial integrity;

8 (3) require a licensee to:

9 (i) provide proof that [it] **THE LICENSEE** is qualified to do business
10 in the State with the Department of Assessments and Taxation; and

11 (ii) agree to be subject to all applicable taxes; and

12 (4) adopt any other requirements [it] **THE COMMISSION** finds to be in the
13 public interest, which may include different requirements for:

14 (i) electricity suppliers that serve only large customers; and

15 (ii) the different categories of electricity suppliers.

16 (d) A license issued under this section may not be transferred without prior
17 Commission approval.

18 (e) The Commission shall adopt regulations or issue orders to:

19 (1) protect consumers, electric companies, [and] electricity suppliers, ~~AND~~
20 **ENERGY SALESPERSONS, AND ENERGY VENDORS** from anticompetitive and abusive
21 practices;

22 (2) require each electricity supplier ~~AND~~, **EACH ENERGY SALESPERSON,**
23 **AND EACH ENERGY VENDOR** to provide, in addition to the requirements under §
24 7-505(b)(5) of this subtitle, adequate and accurate customer information to enable
25 customers to make informed choices regarding the purchase of any electricity services
26 offered by the electricity supplier;

27 (3) establish reasonable restrictions on telemarketing;

28 (4) establish procedures for contracting with customers;

29 (5) establish requirements and limitations relating to deposits, billing,
30 collections, and contract cancellations;

1 (6) establish provisions providing for the referral of a delinquent account
2 by an electricity supplier to the standard offer service under § 7–510(c) of this subtitle; and

3 (7) establish procedures for dispute resolution.

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

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

9 (2) sufficient information to evaluate prices and services; and

10 (3) information identifying whether the price is regulated or competitive.

11 (g) (1) An electricity supplier, **AN ENERGY SALESPERSON, AN ENERGY**
12 **VENDOR**, or any person or governmental unit may not, without first obtaining the
13 customer's permission:

14 (i) make any change in the electricity supplier for a customer; or

15 (ii) add a new charge for a new or existing service or option.

16 (2) The Commission shall adopt regulations or issue orders establishing
17 procedures to prevent the practices prohibited under paragraph (1) of this subsection.

18 (h) (1) An electricity supplier, **AN ENERGY SALESPERSON, OR AN ENERGY**
19 **VENDOR** may not discriminate against any customer based wholly or partly on race, color,
20 creed, national origin, or sex of an applicant for service or for any arbitrary, capricious, or
21 unfairly discriminatory reason.

22 (2) An electricity supplier, **AN ENERGY SALESPERSON, OR AN ENERGY**
23 **VENDOR** may not refuse to provide service to a customer except by the application of
24 standards that are reasonably related to the electricity supplier's economic and business
25 purposes.

26 (i) An electricity supplier, **AN ENERGY SALESPERSON, AND AN ENERGY**
27 **VENDOR** shall be subject to all applicable federal and State environmental laws and
28 regulations.

29 (j) An electricity supplier shall post on the Internet information that is readily
30 understandable about its services and rates for small commercial and residential electric
31 customers.

1 (k) (1) [The] ~~FOR~~ **SUBJECT TO SUBSECTION (R) OF THIS SECTION, FOR**
 2 **JUST CAUSE ON THE COMMISSION'S OWN INVESTIGATION OR ON COMPLAINT OF THE**
 3 **OFFICE OF PEOPLE'S COUNSEL, THE ATTORNEY GENERAL, OR AN AFFECTED**
 4 **PARTY, THE Commission may:**

5 (I) **DENY A LICENSE TO, OR** revoke [or], suspend, **OR REFUSE TO**
 6 **RENEW** the license of, an electricity supplier[,] ~~OR, AN ENERGY SALESPERSON, OR AN~~
 7 **ENERGY VENDOR;**

8 (II) impose a civil penalty or other remedy[.];

9 (III) order a refund or credit to a customer[.]; or

10 (IV) impose a moratorium on adding or soliciting additional
 11 customers by the electricity supplier[, for just cause on the Commission's own investigation
 12 or on complaint of the Office of People's Counsel, the Attorney General, or an affected party]
 13 ~~OR, ENERGY SALESPERSON, OR ENERGY VENDOR.~~

14 (2) A civil penalty may be imposed in addition to the Commission's decision
 15 to **DENY**, revoke, suspend, **OR REFUSE TO RENEW A LICENSE** or impose a moratorium.

16 (3) Just cause includes:

17 (i) intentionally providing false information to the Commission;

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

20 (iii) failing to provide electricity for its customers;

21 (iv) committing fraud or engaging in deceptive practices;

22 (v) failing to maintain financial integrity;

23 (vi) violating a Commission regulation or order;

24 (vii) failing to pay, collect, remit, or calculate accurately applicable
 25 State or local taxes;

26 (viii) violating a provision of this article or any other applicable
 27 consumer protection law of the State;

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

1 (x) DENIAL, suspension, or revocation of OR REFUSAL TO RENEW
2 a license by any State or federal authority; AND

3 (XI) COMMISSION OF ANY OF THE ACTS DESCRIBED IN ITEMS (I)
4 THROUGH (X) OF THIS PARAGRAPH BY A PERSON THAT IS AN AFFILIATE OF THE
5 LICENSEE OR THAT IS UNDER COMMON CONTROL WITH THE LICENSEE.

6 (1) (1) An electricity supplier, AN ENERGY ~~SALESPERSON~~ VENDOR, or ANY
7 OTHER person, EXCEPT FOR AN ENERGY SALESPERSON, selling or offering to sell
8 electricity in the State in violation of this section OR ~~§ 7-507.1 OF THIS SUBTITLE~~ §
9 7-318 OF THIS TITLE, after notice and an opportunity for a hearing, is subject to:

10 (i) a civil penalty of not more than [\$10,000] **\$25,000** for the
11 violation; [or]

12 (ii) license DENIAL, revocation, or suspension OR REFUSAL TO
13 RENEW THE LICENSE; OR

14 (III) BOTH.

15 (2) AN ENERGY SALESPERSON SELLING OR OFFERING TO SELL
16 ELECTRICITY IN THE STATE IN VIOLATION OF THIS SECTION OR § 7-317 OF THIS
17 TITLE, AFTER NOTICE AND AN OPPORTUNITY FOR A HEARING, IS SUBJECT TO
18 LICENSE DENIAL, REVOCATION, OR SUSPENSION OR REFUSAL TO RENEW THE
19 LICENSE.

20 (3) Each day OR PART OF A DAY a violation continues is a separate
21 violation.

22 ~~(4)~~ (4) EACH CUSTOMER TO WHOM ELECTRICITY IS SOLD OR
23 OFFERED IN VIOLATION OF THIS SECTION IS A SEPARATE VIOLATION.

24 ~~(4)~~ (5) The Commission shall determine the amount of any civil penalty
25 after considering:

26 (i) the number of previous violations of any provision of this division
27 BY THE ELECTRICITY SUPPLIER, ENERGY ~~SALESPERSON~~ VENDOR, OR OTHER
28 PERSON;

29 (ii) the gravity of the current violation; [and]

30 (iii) the good faith of the electricity supplier, ENERGY
31 ~~SALESPERSON~~ VENDOR, or OTHER person charged in attempting to achieve compliance
32 after notification of the violation; AND

1 (IV) ANY OTHER MATTER THAT THE COMMISSION CONSIDERS
2 APPROPRIATE AND RELEVANT.

3 (m) In connection with a consumer complaint or Commission investigation under
4 this section ~~OR § 7-507.1 OF THIS SUBTITLE § 7-317 OR § 7-318 OF THIS TITLE~~, an
5 electricity supplier, AN ENERGY SALESPERSON, ENERGY VENDOR, AND ANY OTHER
6 PERSON SELLING OR OFFERING TO SELL ELECTRICITY IN THE STATE shall provide to
7 the Commission access to any accounts, books, papers, and documents [which] THAT the
8 Commission considers necessary to resolve the matter at issue.

9 (n) The Commission may order the electricity supplier, ENERGY SALESPERSON,
10 AN ENERGY VENDOR, OR OTHER PERSON to cease adding or soliciting additional
11 customers or to cease serving customers in the State.

12 (o) The Commission shall consult with the Consumer Protection Division of the
13 Office of the Attorney General before issuing regulations designed to protect consumers.

14 (p) The People's Counsel shall have the same authority in licensing, complaint,
15 and dispute resolution proceedings as it has in Title 2 of this article.

16 (q) Nothing in this subtitle may be construed to affect the authority of the
17 Division of Consumer Protection in the Office of the Attorney General to enforce violations
18 of Titles 13 and 14 of the Commercial Law Article or any other applicable State law or
19 regulation in connection with the activities of electricity suppliers ~~AND,~~ ENERGY
20 SALESPERSONS, AND ENERGY VENDORS.

21 (R) THE COMMISSION MAY NOT IMPOSE A CIVIL PENALTY ON AN ENERGY
22 SALESPERSON UNDER SUBSECTION (K) OR (L) OF THIS SECTION.

23 ~~7-507.1.~~

24 ~~(A) (1) A PERSON MAY NOT ENGAGE IN THE BUSINESS OF AN ENERGY~~
25 ~~SALESPERSON IN THE STATE UNLESS THE PERSON HOLDS A LICENSE ISSUED BY THE~~
26 ~~COMMISSION.~~

27 ~~(2) A LICENSED ENERGY SALESPERSON MAY OFFER OR SELL~~
28 ~~ELECTRICITY SUPPLY AGREEMENTS OR GAS SUPPLY AGREEMENTS TO CUSTOMERS~~
29 ~~IN THE STATE ONLY IF THE ENERGY SALESPERSON IS ASSOCIATED WITH A LICENSED~~
30 ~~ELECTRICITY SUPPLIER OR LICENSED GAS SUPPLIER, RESPECTIVELY.~~

31 ~~(B) (1) AN APPLICATION FOR AN ENERGY SALESPERSON LICENSE SHALL:~~

32 ~~(I) BE MADE TO THE COMMISSION IN WRITING ON A FORM~~
33 ~~ADOPTED BY THE COMMISSION;~~

1 ~~(H) BE VERIFIED BY OATH OR AFFIRMATION; AND~~

2 ~~(HH) CONTAIN INFORMATION THAT THE COMMISSION REQUIRES,~~
3 ~~INCLUDING:~~

4 ~~1. PROOF OF ASSOCIATION WITH A LICENSED~~
5 ~~ELECTRICITY SUPPLIER OR LICENSED GAS SUPPLIER, AS APPROPRIATE;~~

6 ~~2. PROOF OF COMPLIANCE WITH ALL APPLICABLE~~
7 ~~TRAINING REQUIREMENTS FOR CUSTOMER PROTECTION UNDER THIS SUBTITLE~~
8 ~~AND SUBTITLE 6 OF THIS TITLE AS REQUIRED BY THE COMMISSION; AND~~

9 ~~3. PAYMENT OF THE APPLICABLE LICENSING FEE.~~

10 ~~(2) (I) THE TERM OF AN ENERGY SALESPERSON LICENSE IS 3~~
11 ~~YEARS.~~

12 ~~(H) THE TERMS OF LICENSES MAY BE STAGGERED AS~~
13 ~~DETERMINED BY THE COMMISSION.~~

14 ~~(HH) UNLESS A LICENSE IS RENEWED FOR A 3-YEAR TERM IN~~
15 ~~ACCORDANCE WITH THIS SUBSECTION, THE LICENSE EXPIRES ON THE DATE THAT~~
16 ~~THE COMMISSION SETS.~~

17 ~~(IV) A LICENSEE MAY RENEW A LICENSE FOR AN ADDITIONAL~~
18 ~~3-YEAR TERM BEFORE THE LICENSE EXPIRES IF THE LICENSEE:~~

19 ~~1. OTHERWISE IS ENTITLED TO BE LICENSED;~~

20 ~~2. SUBMITS TO THE COMMISSION A RENEWAL~~
21 ~~APPLICATION ON THE FORM THAT THE COMMISSION PROVIDES; AND~~

22 ~~3. PAYS TO THE COMMISSION THE APPLICABLE~~
23 ~~RENEWAL FEE SET BY THE COMMISSION.~~

24 ~~(C) THE COMMISSION SHALL, BY REGULATION OR ORDER:~~

25 ~~(1) REQUIRE PROOF OF FINANCIAL INTEGRITY;~~

26 ~~(2) REQUIRE A LICENSEE TO POST A BOND OR OTHER SIMILAR~~
27 ~~INSTRUMENT IF, IN THE COMMISSION'S JUDGMENT, THE BOND OR SIMILAR~~
28 ~~INSTRUMENT IS NECESSARY TO INSURE AN ENERGY SALESPERSON'S FINANCIAL~~
29 ~~INTEGRITY; AND~~

1 ~~(3) ADOPT ANY OTHER REQUIREMENTS THE COMMISSION FINDS TO~~
2 ~~BE IN THE PUBLIC INTEREST.~~

3 ~~(D) A LICENSE ISSUED UNDER THIS SECTION MAY NOT BE TRANSFERRED~~
4 ~~WITHOUT PRIOR COMMISSION APPROVAL.~~

5 7-510.

6 (a) (1) Subject to subsection (b) of this section, the phased implementation of
7 customer choice shall be implemented as follows:

8 (i) on July 1, 2000, one-third of the residential class in the State of
9 each electric company shall have the opportunity for customer choice;

10 (ii) on January 1, 2001, the entire industrial class and the entire
11 commercial class in the State of each electric company shall have the opportunity for
12 customer choice;

13 (iii) on July 1, 2001, two-thirds of the residential class in the State
14 of each electric company shall have the opportunity for customer choice;

15 (iv) on July 1, 2002, all customers of each electric company shall have
16 the opportunity for customer choice; and

17 (v) by July 1, 2003, under a separate schedule adopted by the
18 Commission, all customers of each electric cooperative shall have the opportunity for
19 customer choice.

20 (2) (i) In accordance with this paragraph, the Commission may adopt a
21 separate schedule for municipal electric utilities for the implementation of customer choice.

22 (ii) A municipal electric utility may not be required to make its
23 service territory available for customer choice unless it elects to do so.

24 (iii) If a municipal electric utility elects to allow customer choice, the
25 municipal electric utility shall file a proposed plan and schedule with the Commission.

26 (iv) The Commission may approve each municipal electric utility
27 plan and schedule after considering the features that distinguish the municipal electric
28 utility from other electric companies.

29 (v) Nothing in this subtitle may be construed to require the
30 functional, operational, structural, or legal separation of the regulated and nonregulated
31 operations of the municipal electric utility.

1 (3) If a municipal electric utility serves customers outside its distribution
2 territory, electricity suppliers licensed under § 7–507 of this subtitle may serve the
3 customers in the distribution territory of the municipal electric utility.

4 (b) For good cause shown and if the Commission finds the action to be in the
5 public interest, the Commission may:

6 (1) accelerate or delay the initial implementation date of July 1, 2000, by
7 up to 3 months; or

8 (2) accelerate any of the other implementation dates and phase-in
9 percentages in subsection (a) of this section.

10 (c) (1) Beginning on the initial implementation date, an electric company's
11 obligation to provide electricity supply and electricity supply service is stated by this
12 subsection.

13 (2) (I) Electricity supply purchased from a customer's electric company
14 is known as standard offer service.

15 (II) A customer is considered to have chosen the standard offer
16 service if the customer:

17 [(i)] 1. is not allowed to choose an electricity supplier under the
18 phase in of customer choice in subsection (a) of this section;

19 [(ii)] 2. contracts for electricity with an electricity supplier and it
20 is not delivered;

21 [(iii)] 3. cannot arrange for electricity from an electricity supplier;

22 [(iv)] 4. does not choose an electricity supplier;

23 [(v)] 5. chooses the standard offer service; or

24 [(vi)] 6. has been denied service or referred to the standard offer
25 service by an electricity supplier in accordance with § 7–507(e)(6) of this subtitle.

26 (3) [(i) Except as provided under subparagraph (ii) of this paragraph,
27 any obligation of an electric company to provide standard offer service shall cease on July
28 1, 2003.

29 (ii) 1. Electric cooperatives and municipal electric utilities may
30 choose to continue providing standard offer service in their respective distribution
31 territories and may cease offering that service after notifying the Commission at least 12
32 months in advance.

1 2. On and after July 1, 2003,~~] **an** (I)~~ **AN** electric
2 company ~~continues to have~~ **HAS** the obligation to provide standard offer service to
3 residential and small commercial customers at a market price that permits recovery of the
4 verifiable, prudently incurred costs to procure or produce the electricity plus a reasonable
5 return.

6 ~~(iii)~~ ~~1-1~~ **(II)** On or before December 31, 2008, and every 5 years
7 thereafter, the Commission shall report to the Governor and, in accordance with § 2-1257
8 of the State Government Article, to the General Assembly on the status of the standard
9 offer service[,] **AND** the development of competition[, and the transition of standard offer
10 service to a default service].

11 [2. The Commission shall establish, by order or regulation,
12 the definition of “default service”.]

13 (4) (i) **1.** On or before July 1, 2001, the Commission shall adopt
14 regulations or issue orders to establish procedures for the competitive selection of wholesale
15 electricity suppliers, including an affiliate of an electric company, to provide electricity for
16 standard offer service to customers of electric companies under paragraph (2) of this
17 subsection, except for customers of electric cooperatives and municipal electric utilities.

18 **2.** Unless delayed by the Commission, the competitive
19 selection shall take effect no later than July 1, 2003.

20 (ii) **1.** Under the obligation to provide standard offer service in
21 accordance with [paragraph (3)(ii) of] this subsection, the Commission, by regulation or
22 order, and in a manner that is designed to obtain the best price for residential and small
23 commercial customers in light of market conditions at the time of procurement and the
24 need to protect these customers from excessive price increases:

25 A. shall require each investor-owned electric company to
26 obtain its electricity supply for residential and small commercial customers participating
27 in standard offer service through a competitive process in accordance with this paragraph;
28 and

29 B. may require or allow an investor-owned electric company
30 to procure electricity for these customers directly from an electricity supplier through one
31 or more bilateral contracts outside the competitive process.

32 **2.** A. As the Commission directs, the competitive process
33 shall include a series of competitive wholesale bids in which the investor-owned electric
34 company solicits bids to supply anticipated standard offer service load for residential and
35 small commercial customers as part of a portfolio of blended wholesale supply contracts of
36 short, medium, or long terms, and other appropriate electricity products and strategies, as
37 needed to meet demand in a cost-effective manner.

1 B. The competitive process may include different bidding
2 structures and mechanisms for base load, peak load, and very short-term procurement.

3 C. By regulation or order, as a part of the competitive process,
4 the Commission shall require or allow the procurement of cost-effective energy efficiency
5 and conservation measures and services with projected and verifiable energy savings to
6 offset anticipated demand to be served by standard offer service, and the imposition of other
7 cost-effective demand-side management programs.

8 3. A. In order to prevent an excessive amount of load
9 being exposed to upward price risks and volatility, the Commission may stagger the dates
10 for the competitive wholesale auctions.

11 B. By regulation or order, the Commission may allow a date
12 on which a competitive wholesale auction takes place to be altered based on current market
13 conditions.

14 4. By regulation or order, the Commission may allow an
15 investor-owned electric company to refuse to accept some or all of the bids made in a
16 competitive wholesale auction in accordance with standards adopted by the Commission.

17 5. The investor-owned electric company shall publicly
18 disclose the names of all bidders and the names and load allocation of all successful bidders
19 90 days after all contracts for supply are executed.

20 ~~6. AN INVESTOR OWNED ELECTRIC COMPANY MAY~~
21 ~~MARKET STANDARD OFFER SERVICE TO CUSTOMERS IN ITS SERVICE TERRITORY IN~~
22 ~~COMPLIANCE WITH APPROPRIATE CONSUMER PROTECTIONS CONSISTENT WITH~~
23 ~~THOSE THAT APPLY TO ELECTRICITY SUPPLIERS UNDER § 7-507 OF THIS SUBTITLE.~~

24 (5) An electric company may procure the electricity needed to meet its
25 standard offer service electricity supply obligation from any electricity supplier, including
26 an affiliate of the electric company.

27 (6) In order to meet long-term, anticipated demand in the State for
28 standard offer service and other electricity supply, the Commission may require or allow
29 an investor-owned electric company to construct, acquire, or lease, and operate, its own
30 generating facilities, and transmission facilities necessary to interconnect the generating
31 facilities with the electric grid, subject to appropriate cost recovery.

32 (7) (i) To determine whether an appropriate phased implementation of
33 electricity rates that is necessary to protect residential customers from the impact of
34 sudden and significant increases in electricity rates, the Commission in the case of an
35 increase of 20% or more over the previous year's total electricity rates, shall conduct
36 evidentiary proceedings, including public hearings.

1 (ii) 1. A deferral of costs as part of a phased implementation of
2 electricity rates by an investor-owned electric company shall be treated as a regulatory
3 asset to be recovered in accordance with a rate stabilization plan under Part III of this
4 subtitle or any other plan for phased implementation approved by the Commission.

5 2. A deferral of costs under this paragraph must be just,
6 reasonable, and in the public interest.

7 (iii) The Commission shall approve the recovery of deferred costs
8 under subparagraph (ii) of this paragraph as:

9 1. long-term recovery in accordance with a rate stabilization
10 plan under Part III of this subtitle; or

11 2. short-term recovery through a rate proceeding
12 mechanism approved by the Commission.

13 (iv) The Commission may approve a phasing in of increased costs by:

14 1. placing a cap on rates and allowing recovery over time; or

15 2. allowing rates to increase and providing for a rebate to
16 customers of any excess costs paid.

17 (8) (i) An electric cooperative that as of July 1, 2006, supplied its
18 standard offer service load through a portfolio of blended wholesale supply contracts of
19 short, medium, and long terms, and other appropriate electricity products and strategies,
20 as needed to meet demand in a cost-effective manner, may choose to continue to use a
21 blended portfolio:

22 1. as approved and modified by the electric cooperative's
23 board of directors; and

24 2. with appropriate review for prudent cost recovery as
25 determined by the Commission.

26 (ii) The Commission may not set or enforce a termination date for
27 the procurement of supply through a managed portfolio previously approved by the
28 Commission.

29 (9) (i) The Commission, on request by an electric cooperative or on its
30 own initiative, shall initiate a proceeding to investigate options for a rate stabilization plan
31 to assist residential electric customers to gradually adjust to market rates over an extended
32 period of time.

33 (ii) If an electric cooperative determines that total electric rates for
34 residential customers are anticipated to increase by more than 20% in a 12-month period

1 resulting from an increase in the cost of generation, the electric cooperative shall survey its
 2 membership to determine whether to make a request to the Commission to initiate a
 3 proceeding under subsection (a) of this section.

4 (iii) Notwithstanding subparagraphs (i) and (ii) of this paragraph, as
 5 approved by the Commission, an electric cooperative may receive a modification in
 6 distribution and transmission rates.

7 **(10) AN ELECTRIC COOPERATIVE MAY ADVERTISE, MARKET, AND**
 8 **PROMOTE STANDARD OFFER SERVICE AND RELATED PRODUCTS IN ITS SERVICE**
 9 **TERRITORY, INCLUDING AVAILABILITY, PRICE, AND OTHER TERMS, IN COMPLIANCE**
 10 **WITH APPROPRIATE CONSUMER PROTECTIONS CONSISTENT WITH THOSE THAT**
 11 **APPLY TO ELECTRICITY SUPPLIERS UNDER § 7-507 OF THIS SUBTITLE.**

12 [(d) Notwithstanding the dates set forth in this section or any other law, customer
 13 choice may not commence until legislation is enacted by the General Assembly to
 14 restructure Maryland taxes to address the State and local tax implications of restructuring
 15 the electric utility industry.]

16 **(D) (1) THIS SUBSECTION APPLIES TO RESIDENTIAL ELECTRICITY**
 17 **SUPPLY OTHER THAN SUPPLY OFFERED THROUGH:**

18 **(I) STANDARD OFFER SERVICE;**

19 **(II) THE DEPARTMENT OF GENERAL SERVICES' SALE OF**
 20 **ENERGY UNDER § 7-704.4 OF THIS TITLE; OR**

21 **(III) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF**
 22 **THIS SUBTITLE.**

23 **(2) ~~AN~~ A RESIDENTIAL ELECTRICITY SUPPLIER:**

24 **(I) MAY OFFER ELECTRICITY, OTHER THAN GREEN POWER,**
 25 **ONLY AT A PRICE THAT DOES NOT EXCEED THE TRAILING 12-MONTH AVERAGE OF**
 26 **THE ELECTRIC COMPANY'S STANDARD OFFER SERVICE RATE IN THE ELECTRIC**
 27 **COMPANY'S SERVICE TERRITORY AS OF THE DATE OF AGREEMENT WITH THE**
 28 **CUSTOMER;**

29 **(II) MAY OFFER RESIDENTIAL ELECTRICITY SUPPLY ONLY;**

30 **~~+~~ FOR A TERM NOT TO EXCEED 12 MONTHS AT A TIME;**

31 **(III) MAY, FOR ELECTRICITY SUPPLY OTHER THAN GREEN**
 32 **POWER, AUTOMATICALLY RENEW THE TERM ONLY IF THE ELECTRICITY SUPPLIER**

1 PROVIDES NOTICE TO THE CUSTOMER 90 DAYS BEFORE AND 30 DAYS BEFORE
2 RENEWAL;

3 (IV) MAY OFFER GREEN POWER THAT MEETS THE
4 REQUIREMENTS OF § 7-707 OF THIS TITLE, BUT MAY NOT AUTOMATICALLY RENEW
5 THE TERM WITH THE CUSTOMER; AND

6 ~~2. WITHOUT AUTOMATIC RENEWAL;~~

7 ~~(III)~~ (V) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,
8 MAY NOT OFFER A VARIABLE RATE OTHER THAN A RATE THAT ADJUSTS FOR
9 SEASONAL VARIATION NOT MORE THAN TWICE IN A SINGLE YEAR; AND

10 ~~(IV)~~ (VI) MAY NOT PAY A COMMISSION OR OTHER
11 INCENTIVE-BASED COMPENSATION TO AN ENERGY SALESPERSON FOR ENROLLING
12 CUSTOMERS; ~~AND~~

13 ~~(V) MAY NOT IMPOSE ON A CUSTOMER A FEE FOR~~
14 ~~CANCELLATION OR EARLY TERMINATION OF AN ELECTRICITY SUPPLY AGREEMENT.~~

15 (3) PARAGRAPH ~~(2)~~~~(III)~~ (2)(V) OF THIS SUBSECTION DOES NOT
16 PROHIBIT THE OFFER AND USE OF TIME-OF-USE RATES THAT ESTABLISH
17 DIFFERENT RATES FOR PERIODS WITHIN A SINGLE DAY.

18 ~~(4) AN ELECTRICITY SUPPLIER MAY NOT OFFER OR PROVIDE~~
19 ~~ELECTRICITY SUPPLY TO A CUSTOMER WHO RECEIVES ENERGY ASSISTANCE~~
20 ~~THROUGH THE ELECTRIC UNIVERSAL SERVICE PROGRAM UNDER § 7-512.1 OF THIS~~
21 ~~SUBTITLE OR THE ENERGY ASSISTANCE PROGRAM OF THE DEPARTMENT OF~~
22 ~~HUMAN SERVICES UNDER TITLE 5, SUBTITLE 5A OF THE HUMAN SERVICES~~
23 ~~ARTICLE.~~

24 ~~(5)~~ (4) AN A RESIDENTIAL ELECTRICITY SUPPLIER MAY NOT SELL
25 TO AN ELECTRIC COMPANY, AND AN ELECTRIC COMPANY MAY NOT PURCHASE FROM
26 AN THE ELECTRICITY SUPPLIER, ACCOUNTS RECEIVABLE.

27 (E) (1) THIS SUBSECTION DOES NOT APPLY TO:

28 (I) THE DEPARTMENT OF GENERAL SERVICES' SALE OF
29 ENERGY UNDER § 7-704.4 OF THIS TITLE; OR

30 (II) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF
31 THIS SUBTITLE.

1 **(2) AN ELECTRIC COMPANY AND ~~AN~~ A RESIDENTIAL ELECTRICITY**
 2 **SUPPLIER SHALL ESTABLISH A MECHANISM FOR A CUSTOMER WHOSE ACCOUNT**
 3 **NUMBER OR CUSTOMER CHOICE IDENTIFICATION NUMBER HAS BEEN**
 4 **COMPROMISED TO RECEIVE A REPLACEMENT ACCOUNT NUMBER OR CUSTOMER**
 5 **CHOICE IDENTIFICATION NUMBER ON REQUEST, SUBJECT TO VERIFICATION IN A**
 6 **MANNER APPROVED BY THE COMMISSION.**

7 **(F) (1) THIS SUBSECTION DOES NOT APPLY TO:**

8 **(I) THE DEPARTMENT OF GENERAL SERVICES' SALE OF**
 9 **ENERGY UNDER § 7-704.4 OF THIS TITLE; OR**

10 **(II) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF**
 11 **THIS SUBTITLE.**

12 **(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,**
 13 **AS AS APPROVED BY THE COMMISSION BY REGULATION OR ORDER, EACH ELECTRIC**
 14 **COMPANY AND EACH RESIDENTIAL ELECTRICITY SUPPLIER SHALL ALLOW A**
 15 **CUSTOMER TO INDICATE THE CUSTOMER'S INTENTION TO REMAIN ON STANDARD**
 16 **OFFER SERVICE INDEFINITELY AND NOT TO RECEIVE DIRECTED MARKETING**
 17 **CONTACTS FROM ELECTRICITY SUPPLIERS THROUGH THE IMPLEMENTATION OF A**
 18 **"DO NOT TRANSFER" LIST ONTO WHICH THE CUSTOMER MAY REQUEST TO BE**
 19 **PLACED.**

20 **(3) A RESIDENTIAL ELECTRICITY SUPPLIER MAY CONTACT A**
 21 **CUSTOMER ON A "DO NOT TRANSFER" LIST UNTIL THE ELECTRICITY SUPPLY**
 22 **AGREEMENT ENTERED INTO BETWEEN THE ELECTRICITY SUPPLIER AND THE**
 23 **CUSTOMER EXPIRES.**

24 **(G) (1) IN THIS SUBSECTION, "BILLING ENTITY" MEANS AN ELECTRIC**
 25 **COMPANY, A LICENSED ELECTRICITY SUPPLIER, OR ANY OTHER ENTITY THAT IS**
 26 **RESPONSIBLE FOR ISSUING AN ELECTRIC BILL TO A RESIDENTIAL CUSTOMER.**

27 **(2) ON OR BEFORE THE 15TH DAY OF EACH MONTH, EACH ~~ELECTRIC~~**
 28 **~~COMPANY~~ BILLING ENTITY SHALL SUBMIT A REPORT TO THE COMMISSION ON**
 29 **CUSTOMER CHOICE IN ITS SERVICE TERRITORY FOR THE PRECEDING MONTH,**
 30 **INCLUDING:**

31 ~~(1)~~ **(1) THE TOTAL KILOWATT-HOURS DISTRIBUTED TO**
 32 **CUSTOMERS PURCHASING ELECTRICITY FROM A THIRD-PARTY ELECTRICITY**
 33 **SUPPLIER;**

34 ~~(2)~~ **(II) THE TOTAL SUPPLY COST CHARGED TO CUSTOMERS**
 35 **PURCHASING ELECTRICITY FROM A THIRD-PARTY ELECTRICITY SUPPLIER;**

1 ~~(3)~~ (III) THE TOTAL COST THAT CUSTOMERS SPECIFIED IN ITEM ~~(2)~~
2 (II) OF THIS ~~SUBSECTION~~ PARAGRAPH WOULD HAVE PAID UNDER STANDARD OFFER
3 SERVICE;

4 ~~(4)~~ (IV) THE NET THIRD-PARTY TOTAL COST COMPARED TO THE
5 NET STANDARD OFFER SERVICE COST;

6 ~~(5)~~ (V) THE TOTAL THIRD-PARTY AVERAGE RATE;

7 ~~(6)~~ (VI) THE STANDARD OFFER SERVICE AVERAGE RATE;

8 ~~(7)~~ (VII) THE DIFFERENCE BETWEEN THE TOTAL THIRD-PARTY
9 AVERAGE RATE AND THE STANDARD OFFER SERVICE AVERAGE RATE;

10 ~~(8)~~ (VIII) THE THIRD-PARTY AVERAGE RESIDENTIAL RATES BROKEN
11 OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE RATES AND THE
12 STANDARD OFFER SERVICE AVERAGE RATE;

13 ~~(9)~~ (IX) THE THIRD-PARTY AVERAGE GENERAL SERVICE
14 NONDEMAND RATES BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH
15 OF THESE THIRD-PARTY RATES AND THE STANDARD OFFER SERVICE AVERAGE
16 RATE;

17 ~~(10)~~ (X) THE THIRD-PARTY AVERAGE GENERAL SERVICE DEMAND
18 RATES BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE
19 THIRD-PARTY RATES AND THE STANDARD OFFER SERVICE AVERAGE RATE;

20 ~~(11)~~ (XI) THE THIRD-PARTY AVERAGE LARGE POWER DEMAND RATES
21 BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE
22 THIRD-PARTY RATES AND THE STANDARD OFFER SERVICE AVERAGE RATE; AND

23 ~~(12)~~ (XII) OTHER PERTINENT INFORMATION THE COMMISSION
24 CONSIDERS APPROPRIATE.

25 [(e)] (H) The Commission shall, by regulation or order, adopt procedures to
26 implement this section[, including the allocation of any unused opportunity for customer
27 choice among customer classes].

28 [(f)] (I) Except as provided in § 7-510.3 of this subtitle, a county or municipal
29 corporation may not act as an aggregator unless the Commission determines there is not
30 sufficient competition within the boundaries of the county or municipal corporation.

31 7-602.

1 The General Assembly finds and declares that the purpose of this subtitle is to:

2 (1) clarify existing law regarding the provision of competitive retail gas
3 supply and gas supply services in the State;

4 (2) require the Commission to license gas suppliers ~~AND, ENERGY~~
5 SALESPERSONS, AND ENERGY VENDORS;

6 (3) authorize the Commission to adopt complaint procedures;

7 (4) establish certain requirements relating to the competitiveness of retail
8 gas supply and gas supply services markets; and

9 (5) establish standards for the protection of consumers.

10 7-603.

11 (a) The Commission shall license gas suppliers ~~AND, ENERGY SALESPERSONS,~~
12 AND ENERGY VENDORS and shall have the same authority as the Commission has under
13 [~~§ 7-507~~] ~~§§ 7-507 AND 7-507.1~~ §§ 7-317, 7-318, AND 7-507 of this title for electricity
14 suppliers ~~AND, ENERGY SALESPERSONS, AND ENERGY VENDORS~~, including the
15 authority to:

16 (1) DENY, revoke [or], suspend, OR REFUSE TO RENEW a license;

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

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

19 (b) The Commission shall adopt licensing requirements and procedures for gas
20 suppliers ~~AND, ENERGY SALESPERSONS, AND ENERGY VENDORS~~ that protect
21 consumers, the public interest, and the collection of all State and local taxes, **CONSISTENT**
22 **WITH THE REQUIREMENTS FOR ELECTRICITY SUPPLIERS ~~AND ENERGY~~**
23 **~~SALESPERSONS~~ UNDER SUBTITLE 5 OF THIS TITLE AND ENERGY SALESPERSONS**
24 **AND ENERGY VENDORS UNDER SUBTITLE 3 OF THIS TITLE.**

25 **7-603.1.**

26 (A) (1) ~~FOR SUBJECT TO SUBSECTION (B)(5) OF THIS SECTION, FOR JUST~~
27 **CAUSE ON THE COMMISSION'S OWN INVESTIGATION OR ON COMPLAINT OF THE**
28 **OFFICE OF PEOPLE'S COUNSEL, THE ATTORNEY GENERAL, OR AN AFFECTED**
29 **PARTY, THE COMMISSION MAY:**

1 **(I) DENY A LICENSE TO, OR REVOKE, SUSPEND, OR REFUSE TO**
2 **RENEW THE LICENSE OF, A GAS SUPPLIER ~~OR~~, AN ENERGY SALESPERSON, OR AN**
3 **ENERGY VENDOR;**

4 **(II) IMPOSE A CIVIL PENALTY OR OTHER REMEDY;**

5 **(III) ORDER A REFUND OR CREDIT TO A CUSTOMER; OR**

6 **(IV) IMPOSE A MORATORIUM ON ADDING OR SOLICITING**
7 **ADDITIONAL CUSTOMERS BY THE GAS SUPPLIER ~~OR~~, ENERGY SALESPERSON, OR AN**
8 **ENERGY VENDOR.**

9 **(2) A CIVIL PENALTY MAY BE IMPOSED IN ADDITION TO THE**
10 **COMMISSION'S DECISION TO DENY, REVOKE, SUSPEND, OR REFUSE TO RENEW A**
11 **LICENSE OR IMPOSE A MORATORIUM.**

12 **(3) JUST CAUSE INCLUDES:**

13 **(I) INTENTIONALLY PROVIDING FALSE INFORMATION TO THE**
14 **COMMISSION;**

15 **(II) SWITCHING, OR CAUSING TO BE SWITCHED, THE GAS**
16 **SUPPLY FOR A CUSTOMER WITHOUT FIRST OBTAINING THE CUSTOMER'S**
17 **PERMISSION;**

18 **(III) FAILING TO PROVIDE GAS FOR ITS CUSTOMERS;**

19 **(IV) COMMITTING FRAUD OR ENGAGING IN DECEPTIVE**
20 **PRACTICES;**

21 **(V) FAILING TO MAINTAIN FINANCIAL INTEGRITY;**

22 **(VI) VIOLATING A COMMISSION REGULATION OR ORDER;**

23 **(VII) FAILING TO PAY, COLLECT, REMIT, OR CALCULATE**
24 **ACCURATELY APPLICABLE STATE OR LOCAL TAXES;**

25 **(VIII) VIOLATING A PROVISION OF THIS ARTICLE OR ANY OTHER**
26 **APPLICABLE CONSUMER PROTECTION LAW OF THE STATE;**

27 **(IX) CONVICTION OF A FELONY BY THE LICENSEE OR PRINCIPAL**
28 **OF THE LICENSEE OR ANY CRIME INVOLVING FRAUD, THEFT, OR DECEIT;**

1 (X) DENIAL, SUSPENSION, OR REVOCATION OF OR REFUSAL TO
2 RENEW A LICENSE BY ANY STATE OR FEDERAL AUTHORITY; AND

3 (XI) COMMISSION OF ANY OF THE ACTS DESCRIBED IN ITEMS (I)
4 THROUGH (X) OF THIS PARAGRAPH BY A PERSON THAT IS AN AFFILIATE OF THE
5 LICENSEE OR THAT IS UNDER COMMON CONTROL WITH THE LICENSEE.

6 (B) (1) (I) A GAS SUPPLIER, AN ENERGY ~~SALESPERSON~~ VENDOR, OR
7 ANY OTHER PERSON, EXCEPT FOR AN ENERGY SALESPERSON, SELLING OR
8 OFFERING TO SELL GAS IN THE STATE IN VIOLATION OF THIS SECTION OR § 7-603
9 OF THIS SUBTITLE, AFTER NOTICE AND AN OPPORTUNITY FOR A HEARING, IS
10 SUBJECT TO:

11 ~~(I)~~ 1. A CIVIL PENALTY OF NOT MORE THAN \$25,000 FOR
12 THE VIOLATION;

13 ~~(II)~~ 2. LICENSE DENIAL, REVOCATION, OR SUSPENSION OR
14 REFUSAL TO RENEW THE LICENSE; OR

15 ~~(III)~~ 3. BOTH.

16 (II) AN ENERGY SALESPERSON SELLING OR OFFERING TO SELL
17 GAS IN THE STATE IN VIOLATION OF THIS SECTION OR § 7-603 OF THIS SUBTITLE,
18 AFTER NOTICE AND AN OPPORTUNITY FOR A HEARING, IS SUBJECT TO LICENSE
19 DENIAL, REVOCATION, OR SUSPENSION OR REFUSAL TO RENEW THE LICENSE.

20 (2) EACH DAY OR PART OF A DAY A VIOLATION CONTINUES IS A
21 SEPARATE VIOLATION.

22 (3) EACH CUSTOMER TO WHOM GAS IS SOLD OR OFFERED IN
23 VIOLATION OF THIS SECTION IS A SEPARATE VIOLATION.

24 (4) THE COMMISSION SHALL DETERMINE THE AMOUNT OF ANY CIVIL
25 PENALTY AFTER CONSIDERING:

26 (I) THE NUMBER OF PREVIOUS VIOLATIONS OF ANY PROVISION
27 OF THIS DIVISION BY THE GAS SUPPLIER, ENERGY ~~SALESPERSON~~ VENDOR, OR
28 OTHER PERSON;

29 (II) THE GRAVITY OF THE CURRENT VIOLATION;

30 (III) THE GOOD FAITH OF THE GAS SUPPLIER, ENERGY
31 ~~SALESPERSON~~ VENDOR, OR OTHER PERSON CHARGED IN ATTEMPTING TO ACHIEVE
32 COMPLIANCE AFTER NOTIFICATION OF THE VIOLATION; AND

1 (IV) ANY OTHER MATTER THAT THE COMMISSION CONSIDERS
2 APPROPRIATE AND RELEVANT.

3 (5) THE COMMISSION MAY NOT IMPOSE A CIVIL PENALTY ON AN
4 INDIVIDUAL ENERGY SALESPERSON IN ACCORDANCE WITH THIS SUBSECTION.

5 (C) IN CONNECTION WITH A CONSUMER COMPLAINT OR COMMISSION
6 INVESTIGATION UNDER THIS SECTION OR § 7-603 OF THIS SUBTITLE, A GAS
7 SUPPLIER, AN ENERGY SALESPERSON, AN ENERGY VENDOR, AND ANY OTHER
8 PERSON SELLING OR OFFERING TO SELL GAS IN THE STATE SHALL PROVIDE TO THE
9 COMMISSION ACCESS TO ANY ACCOUNTS, BOOKS, PAPERS, AND DOCUMENTS THAT
10 THE COMMISSION CONSIDERS NECESSARY TO RESOLVE THE MATTER AT ISSUE.

11 (D) THE COMMISSION MAY ORDER THE GAS SUPPLIER, ENERGY
12 SALESPERSON, AN ENERGY VENDOR, OR OTHER PERSON TO CEASE ADDING OR
13 SOLICITING ADDITIONAL CUSTOMERS OR TO CEASE SERVING CUSTOMERS IN THE
14 STATE.

15 7-604.

16 (a) On or before July 1, 2001, the Commission shall adopt consumer protection
17 orders or regulations for gas suppliers ~~AND~~, ENERGY SALESPERSONS, AND ENERGY
18 VENDORS that:

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

21 (2) provide for contracting, enrollment, and billing practices and
22 procedures; and

23 (3) the Commission considers necessary to protect the consumer.

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

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

28 (2) impose appropriate requirements on gas suppliers ~~AND~~, ENERGY
29 SALESPERSONS, AND ENERGY VENDORS that are consistent with applicable
30 requirements imposed on electricity suppliers ~~AND~~, ENERGY SALESPERSONS, AND
31 ENERGY VENDORS.

32 7-604.2.

1 **(A) IN THIS SECTION, “DEFAULT GAS COMMODITY SERVICE” MEANS THE**
2 **SUPPLY OF RETAIL GAS COMMODITY SERVICE BY A CUSTOMER’S GAS COMPANY.**

3 **(B) (1) THIS SUBSECTION APPLIES TO RESIDENTIAL GAS SUPPLY OTHER**
4 **THAN DEFAULT GAS COMMODITY SERVICE PROVIDED BY A GAS COMPANY.**

5 **(2) A GAS SUPPLIER THAT SUPPLIES GAS TO RESIDENTIAL RETAIL**
6 **GAS CUSTOMERS:**

7 **(I) MAY OFFER GAS SERVICE ONLY AT A PRICE THAT DOES NOT**
8 **EXCEED THE TRAILING 12-MONTH AVERAGE OF THE GAS COMPANY’S DEFAULT GAS**
9 **COMMODITY SERVICE IN THE GAS COMPANY’S SERVICE TERRITORY AS OF THE DATE**
10 **OF THE AGREEMENT WITH THE CUSTOMER;**

11 **(II) MAY OFFER RESIDENTIAL GAS SUPPLY ONLY FOR A TERM**
12 **NOT TO EXCEED 12 MONTHS AT A TIME AND MAY AUTOMATICALLY RENEW THE TERM**
13 **ONLY IF THE GAS SUPPLIER PROVIDES NOTICE TO THE CUSTOMER 90 DAYS BEFORE**
14 **AND 30 DAYS BEFORE RENEWAL;**

15 **(III) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, MAY**
16 **NOT OFFER A VARIABLE RATE OTHER THAN A RATE THAT ADJUSTS FOR SEASONAL**
17 **VARIATION NOT MORE THAN TWICE IN A SINGLE YEAR; AND**

18 **(IV) MAY NOT PAY A COMMISSION OR OTHER INCENTIVE-BASED**
19 **COMPENSATION TO AN ENERGY SALESPERSON FOR ENROLLING CUSTOMERS.**

20 **(3) PARAGRAPH (2)(III) OF THIS SUBSECTION DOES NOT PROHIBIT**
21 **THE OFFER AND USE OF RATES THAT DIFFER BASED ON THE TOTAL NUMBER OF**
22 **THERMS USED BY A CUSTOMER IN ANY BILLING PERIOD.**

23 **(4) A GAS SUPPLIER THAT SUPPLIES GAS TO RESIDENTIAL RETAIL**
24 **GAS CUSTOMERS MAY NOT SELL TO A GAS COMPANY, AND A GAS COMPANY MAY NOT**
25 **PURCHASE FROM THE GAS SUPPLIER, ACCOUNTS RECEIVABLE.**

26 **(C) A GAS COMPANY AND A GAS SUPPLIER THAT SUPPLIES GAS TO**
27 **RESIDENTIAL RETAIL GAS CUSTOMERS SHALL ESTABLISH A MECHANISM FOR A**
28 **CUSTOMER WHOSE ACCOUNT NUMBER OR CUSTOMER CHOICE IDENTIFICATION**
29 **NUMBER HAS BEEN COMPROMISED TO RECEIVE A REPLACEMENT ACCOUNT NUMBER**
30 **OR CUSTOMER CHOICE IDENTIFICATION NUMBER ON REQUEST, SUBJECT TO**
31 **VERIFICATION IN A MANNER APPROVED BY THE COMMISSION.**

32 **(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
33 **AS APPROVED BY THE COMMISSION BY REGULATION OR ORDER, EACH GAS**

1 COMPANY AND EACH GAS SUPPLIER THAT SUPPLIES GAS TO RESIDENTIAL RETAIL
2 GAS CUSTOMERS SHALL ALLOW A CUSTOMER TO INDICATE THE CUSTOMER'S
3 INTENTION TO REMAIN ON DEFAULT GAS COMMODITY SERVICE INDEFINITELY AND
4 NOT TO RECEIVE DIRECTED MARKETING CONTACTS FROM GAS SUPPLIERS
5 THROUGH THE IMPLEMENTATION OF A "DO NOT TRANSFER" LIST ONTO WHICH THE
6 CUSTOMER MAY REQUEST TO BE PLACED.

7 (2) A GAS SUPPLIER THAT SUPPLIES GAS TO RESIDENTIAL RETAIL
8 GAS CUSTOMERS MAY CONTACT A CUSTOMER ON A "DO NOT TRANSFER" LIST UNTIL
9 THE GAS SUPPLY AGREEMENT ENTERED INTO BETWEEN THE GAS SUPPLIER AND
10 THE CUSTOMER EXPIRES.

11 (E) (1) IN THIS SUBSECTION, "BILLING ENTITY" MEANS A GAS COMPANY,
12 A LICENSED GAS SUPPLIER, OR ANY OTHER ENTITY THAT IS RESPONSIBLE FOR
13 ISSUING A GAS BILL TO A RESIDENTIAL CUSTOMER.

14 (2) ON OR BEFORE THE 15TH DAY OF EACH MONTH, EACH BILLING
15 ENTITY SHALL SUBMIT A REPORT TO THE COMMISSION ON CUSTOMER CHOICE IN
16 ITS SERVICE TERRITORY FOR THE PRECEDING MONTH, INCLUDING:

17 (I) THE TOTAL THERMS DISTRIBUTED TO CUSTOMERS
18 PURCHASING GAS FROM A THIRD-PARTY GAS SUPPLIER;

19 (II) THE TOTAL SUPPLY COST CHARGED TO CUSTOMERS
20 PURCHASING GAS FROM A THIRD-PARTY GAS SUPPLIER;

21 (III) THE TOTAL COST THAT CUSTOMERS SPECIFIED IN ITEM (II)
22 OF THIS PARAGRAPH WOULD HAVE PAID UNDER DEFAULT GAS COMMODITY
23 SERVICE;

24 (IV) THE NET THIRD-PARTY TOTAL COST COMPARED TO THE
25 NET DEFAULT GAS COMMODITY SERVICE COST;

26 (V) THE TOTAL THIRD-PARTY AVERAGE RATE;

27 (VI) THE DEFAULT GAS COMMODITY SERVICE AVERAGE RATE;

28 (VII) THE DIFFERENCE BETWEEN THE TOTAL THIRD-PARTY
29 AVERAGE RATE AND THE DEFAULT GAS COMMODITY SERVICE AVERAGE RATE;

30 (VIII) THE THIRD-PARTY AVERAGE RESIDENTIAL RATES BROKEN
31 OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE RATES AND THE
32 DEFAULT GAS COMMODITY SERVICE AVERAGE RATE;

1 (IX) THE THIRD-PARTY AVERAGE GENERAL SERVICE
2 NONDEMAND RATES BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH
3 OF THESE THIRD-PARTY RATES AND THE DEFAULT GAS COMMODITY SERVICE
4 AVERAGE RATE;

5 (X) THE THIRD-PARTY AVERAGE GENERAL SERVICE DEMAND
6 RATES BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE
7 THIRD-PARTY RATES AND THE DEFAULT GAS COMMODITY SERVICE AVERAGE RATE;

8 (XI) THE THIRD-PARTY AVERAGE LARGE POWER DEMAND RATES
9 BROKEN OUT BY SUPPLIER AND THE VARIANCE BETWEEN EACH OF THESE
10 THIRD-PARTY RATES AND THE DEFAULT GAS COMMODITY SERVICE AVERAGE RATE;
11 AND

12 (XII) OTHER PERTINENT INFORMATION THE COMMISSION
13 CONSIDERS APPROPRIATE.

14 (F) THE COMMISSION SHALL, BY REGULATION OR ORDER, ADOPT
15 PROCEDURES TO CARRY OUT THIS SECTION.

16 7-605.

17 (a) This subtitle may not be construed to:

18 (1) affect the authority of the Division of Consumer Protection of the Office
19 of the Attorney General to enforce violations of Titles 13 and 14 of the Commercial Law
20 Article or any other applicable State law or regulation in connection with the activities of
21 gas suppliers ~~OR~~, ENERGY SALESPERSONS, OR ENERGY VENDORS; or

22 (2) exempt gas companies [and], gas suppliers, ~~AND~~ ENERGY
23 SALESPERSONS, AND ENERGY VENDORS from otherwise applicable State or federal
24 consumer protection and antitrust laws.

25 (b) The Commission shall consult with the Consumer Protection Division of the
26 Office of the Attorney General before adopting regulations designed to protect consumers
27 of gas supply and gas supply services.

28 (c) The People's Counsel has the same authority in licensing, complaint, and
29 dispute resolution proceedings as the People's Counsel has under Subtitle 5 of this title and
30 Title 2 of this article.

31 (d) In connection with a consumer complaint or Commission investigation under
32 this subtitle, a gas supplier ~~OR~~, AN ENERGY SALESPERSON, OR AN ENERGY VENDOR
33 shall provide to the Commission access to any accounts, books, papers, and documents that
34 the Commission considers necessary to resolve a matter in dispute.

1 7-705.

2 (a) **(1) ~~Each~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
 3 **SUBSECTION, EACH** electricity supplier shall submit a report to the Commission each year
 4 in a form and by a date specified by the Commission that:

5 ~~(i)~~ ~~(ii)~~ **(I) 1.** demonstrates that the electricity supplier has complied
 6 with the applicable renewable energy portfolio standard under § 7-703 of this subtitle and
 7 includes the submission of the required amount of renewable energy credits; or

8 ~~(ii)~~ **2.** demonstrates the amount of electricity sales by which the
 9 electricity supplier failed to meet the applicable renewable energy portfolio standard; [and]

10 ~~(2)~~ **(II)** documents the level of participation of minority business
 11 enterprises and minorities in the activities that support the creation of renewable energy
 12 credits used to satisfy the standard under § 7-703 of this subtitle, including development,
 13 installation, and operation of generating facilities that create credits; ~~AND~~

14 ~~(3)~~ **(III)** **DOCUMENTS THE AMOUNTS AND TYPES OF GENERATION**
 15 **ASSOCIATED WITH RENEWABLE ENERGY CREDITS PURCHASED IN COMPLIANCE**
 16 **WITH § 7-707(B) OF THIS SUBTITLE DURING THE REPORTING PERIOD; AND**

17 **(IV)** **DOCUMENTS THE AMOUNT OF RENEWABLE ENERGY**
 18 **CERTIFICATES THAT DO NOT QUALIFY AS RENEWABLE ENERGY CREDITS AS DEFINED**
 19 **IN § 7-701 OF THIS SUBTITLE, INCLUDING, FOR EACH CERTIFICATE:**

20 **1. THE ENERGY SOURCE ASSOCIATED WITH THE**
 21 **CERTIFICATE, INCLUDING ITS LOCATION, WHEN IT WAS CONSTRUCTED, AND WHICH**
 22 **ELECTRIC DISTRIBUTION SYSTEM RECEIVED THE ENERGY;**

23 **2. WHETHER THE PURCHASE OF THE CERTIFICATE WAS**
 24 **BUNDLED WITH A POWER PURCHASE AGREEMENT FROM THE ENERGY SOURCE**
 25 **ASSOCIATED WITH THE CERTIFICATE;**

26 **3. WHETHER THE CERTIFICATE WAS PURCHASED**
 27 **DIRECTLY FROM THE OPERATOR OF THE ENERGY SOURCE OR THROUGH A THIRD**
 28 **PARTY; AND**

29 **4. ANY OTHER INFORMATION REQUIRED BY THE**
 30 **COMMISSION.**

31 **(2) PARAGRAPH (1)(III) AND (IV) OF THIS SUBSECTION DOES NOT**
 32 **APPLY TO:**

1 (I) THE DEPARTMENT OF GENERAL SERVICES' SALE OF
2 ENERGY UNDER § 7-704.4 OF THIS SUBTITLE; OR

3 (II) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF
4 THIS TITLE.

5 7-707.

6 ~~(A) IN THIS SECTION, "GREEN POWER" MEANS ENERGY SOURCES OR~~
7 ~~RENEWABLE ENERGY CREDITS THAT ARE MARKETED AS GREEN, ECO FRIENDLY,~~
8 ~~ENVIRONMENTALLY FRIENDLY OR RESPONSIBLE, CARBON FREE, RENEWABLE,~~
9 ~~100% RENEWABLE, 100% WIND, 100% HYDRO, 100% SOLAR, 100% EMISSION FREE,~~
10 ~~OR SIMILAR CLAIMS.~~

11 (A) IN THIS SECTION, "ELECTRICITY SUPPLIER" DOES NOT INCLUDE:

12 (1) THE DEPARTMENT OF GENERAL SERVICES WHEN THE
13 DEPARTMENT OF GENERAL SERVICES SELLS ENERGY UNDER § 7-704.4 OF THIS
14 SUBTITLE; OR

15 (2) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF THIS
16 TITLE; OR

17 (3) AN ELECTRICITY SUPPLIER THAT SUPPLIES ELECTRICITY TO
18 COMMERCIAL RETAIL ELECTRIC CUSTOMERS.

19 (B) (1) AN ELECTRICITY SUPPLIER THAT SUPPLIES ELECTRICITY TO
20 RESIDENTIAL RETAIL ELECTRIC CUSTOMERS MAY NOT MARKET ELECTRICITY AS
21 GREEN POWER UNLESS:

22 (I) THE PERCENTAGE OF THE ELECTRICITY BEING OFFERED,
23 OR THE EQUIVALENT NUMBER OF RENEWABLE ENERGY CREDITS ASSOCIATED WITH
24 THE ELECTRICITY MARKETED AS GREEN POWER, THAT IS ELIGIBLE FOR INCLUSION
25 IN MEETING THE RENEWABLE ENERGY PORTFOLIO STANDARD EQUALS OR EXCEEDS
26 THE GREATER OF:

27 1. 51%; OR

28 2. 1% HIGHER THAN THE RENEWABLE ENERGY
29 PORTFOLIO STANDARD FOR THE YEAR THE ELECTRICITY IS PROVIDED TO THE
30 CUSTOMER; AND

31 (II) THE COMMISSION APPROVES THE PRICE OF THE
32 ELECTRICITY BEING MARKETED AS GREEN POWER.

1 **(2) IN APPROVING THE PRICE OF ELECTRICITY UNDER PARAGRAPH**
2 **(1)(II) OF THIS SUBSECTION, THE COMMISSION SHALL CONSIDER:**

3 **(I) WHETHER THE PURCHASE OF RENEWABLE ENERGY**
4 **CREDITS WAS BUNDLED WITH A POWER PURCHASE AGREEMENT FROM THE ENERGY**
5 **SOURCES ASSOCIATED WITH THE CREDIT;**

6 **(II) THE PRICE OF THE ENERGY PURCHASED, INCLUDING THE**
7 **TOTAL COST OF THE RENEWABLE ENERGY CREDITS OR POWER PURCHASE**
8 **AGREEMENTS;**

9 **(III) THE AMOUNT OF ELECTRICITY THAT IS ELIGIBLE FOR**
10 **INCLUSION IN MEETING THE RENEWABLE ENERGY PORTFOLIO STANDARD; AND**

11 **(IV) THE STATE IN WHICH THE ELECTRICITY WAS GENERATED.**

12 **(B) (C) (1) ON AND AFTER JANUARY 1, 2025, AN ELECTRICITY**
13 **SUPPLIER SHALL PURCHASE RENEWABLE ENERGY CREDITS FOR EACH YEAR THE**
14 **ELECTRICITY SUPPLIER OFFERS GREEN POWER FOR SALE TO RESIDENTIAL RETAIL**
15 **ELECTRIC CUSTOMERS AS FOLLOWS:**

16 **(I) BEGINNING JULY 1, 2025, 0% OF THE CREDITS MAY BE**
17 **GENERATED IN THE PJM REGION;**

18 **(II) BEGINNING JULY 1, 2027, AT LEAST 10% OF THE CREDITS**
19 **SHALL BE GENERATED IN THE PJM REGION;**

20 **(III) BEGINNING JULY 1, 2029, AT LEAST 20% OF THE CREDITS**
21 **SHALL BE GENERATED IN THE PJM REGION;**

22 **(IV) BEGINNING JULY 1, 2031, AT LEAST 30% OF THE CREDITS**
23 **SHALL BE GENERATED IN THE PJM REGION;**

24 **(V) BEGINNING JULY 1, 2033, AT LEAST 40% OF THE CREDITS**
25 **SHALL BE GENERATED IN THE PJM REGION; AND**

26 **(VI) BEGINNING JULY 1, 2035, AT LEAST 50% OF THE CREDITS**
27 **SHALL BE GENERATED IN THE PJM REGION.**

28 **(2) THE CREDITS THAT AN ELECTRICITY SUPPLIER PURCHASES**
29 **UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE:**

30 **(I) GENERATED;**

1 ~~1. IN THE PJM REGION; OR~~

2 ~~2. OUTSIDE THE PJM REGION ONLY IF THE~~
 3 ~~ELECTRICITY IS DELIVERED INTO THE PJM REGION; AND~~

4 ~~(H) (2)~~ A RENEWABLE ENERGY CREDIT SHALL BE RETIRED IN
 5 A PJM ENVIRONMENTAL INFORMATION SERVICES, INC., GENERATION ATTRIBUTE
 6 TRACKING SYSTEM RESERVE SUBACCOUNT ACCESSIBLE BY THE COMMISSION.

7 ~~(E) (D)~~ (1) THIS SUBSECTION DOES NOT APPLY TO:

8 (I) THE DEPARTMENT OF GENERAL SERVICES WHEN THE
 9 DEPARTMENT OF GENERAL SERVICES SELLS ENERGY UNDER § 7-704.4 OF THIS
 10 SUBTITLE; OR

11 (II) A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF
 12 THIS TITLE.

13 (2) AN ELECTRICITY SUPPLIER THAT CLAIMS IN THE ELECTRICITY
 14 SUPPLIER'S MARKETING OF ELECTRICITY TO RESIDENTIAL RETAIL ELECTRIC
 15 CUSTOMERS THAT THE CUSTOMER WILL BE PURCHASING GREEN POWER SHALL
 16 INCLUDE THE FOLLOWING DISCLOSURE OR A SIMILAR DISCLOSURE APPROVED BY
 17 THE COMMISSION:

18 ~~“IF YOU PURCHASE THIS ENERGY PLAN, YOU ARE AGREEING TO PURCHASE~~
 19 ~~LOCAL UTILITY DISTRIBUTION GRID ELECTRICITY THAT IS PAIRED WITH~~
 20 ~~RENEWABLE ENERGY CREDITS (“RECS”) IN AN AMOUNT SUFFICIENT TO MATCH THE~~
 21 ~~PERCENT OF “GREEN POWER” ELECTRICITY IN YOUR CONTRACT.”.~~

22 “WE DELIVER ENERGY THROUGH THE PURCHASE OF RENEWABLE ENERGY
 23 CREDITS (RECS). A REC REPRESENTS THE SOCIAL GOOD THAT ACCOMPANIES 1
 24 MEGAWATT-HOUR OF RENEWABLE ELECTRICITY GENERATION. RECS MAY BE SOLD
 25 SEPARATELY FROM RENEWABLE ELECTRICITY ITSELF. RENEWABLE ELECTRICITY
 26 AND RECS MAY BE SOLD TO DIFFERENT ENTITIES. THE PURCHASE OF A REC DOES
 27 NOT INDICATE THAT RENEWABLE ELECTRICITY ITSELF HAS BEEN PURCHASED BY
 28 THE ENTITY THAT PURCHASED THE REC.”.

29 (E) IN ADDITION TO THE DISCLOSURE REQUIRED UNDER SUBSECTION (D)
 30 OF THIS SECTION, THE COMMISSION SHALL ADOPT REGULATIONS THAT REQUIRE AN
 31 ELECTRICITY SUPPLIER, OTHER THAN THE DEPARTMENT OF GENERAL SERVICES
 32 WHEN THE DEPARTMENT OF GENERAL SERVICES SELLS ENERGY UNDER § 7-704.4
 33 OF THIS SUBTITLE OR A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF
 34 THIS TITLE, THAT OFFERS GREEN POWER FOR SALE TO RESIDENTIAL RETAIL

1 CUSTOMERS TO INCLUDE IN THE ELECTRICITY SUPPLIER'S MARKETING MATERIALS
2 A DISCLOSURE, WRITTEN IN PLAIN LANGUAGE, THAT EXPLAINS:

3 (1) WHAT THE CUSTOMER WILL ACTUALLY BE PAYING FOR WHEN THE
4 CUSTOMER PURCHASES GREEN POWER FROM THE ELECTRICITY SUPPLIER;

5 (2) HOW THE ELECTRICITY THAT THE CUSTOMER HAS PURCHASED IS
6 GENERATED;

7 (3) HOW THE GREEN POWER WILL BENEFIT THE ENVIRONMENT;

8 (4) THE PERCENTAGE OF ELECTRICITY THAT WOULD BE PROVIDED
9 BY THE ELECTRICITY SUPPLIER THAT IS ELIGIBLE FOR INCLUSION IN MEETING THE
10 RENEWABLE ENERGY PORTFOLIO STANDARD; AND

11 (5) THE STATE IN WHICH THE ELECTRICITY WAS GENERATED.

12 13-101.

13 (a) This section does not apply to a violation of the following provisions of this
14 article:

15 (1) Title 5, Subtitle 4;

16 (2) Title 7, Subtitle 1;

17 (3) Title 8, Subtitles 1 and 3; and

18 (4) Title 9, Subtitle 3.

19 (b) A person may not fail, neglect, or refuse to comply with any provision of this
20 division or any effective and outstanding direction, ruling, order, rule, regulation, or
21 decision of the Commission.

22 (c) An individual who knowingly violates or knowingly aids or abets a public
23 service company in the violation of subsection (b) of this section or any provision of this
24 division:

25 (1) is guilty of a misdemeanor; and

26 (2) unless a different punishment is specifically provided by law, on
27 conviction is subject to a fine not exceeding \$1,000 for a first offense and not exceeding
28 \$5,000 for each additional or subsequent offense.

29 13-201.

1 (a) This section does not apply to a violation of the following provisions of this
2 article:

- 3 (1) Title 5, Subtitle 4;
- 4 (2) Title 7, Subtitle 1;
- 5 (3) § 7–213 as it applies to electric cooperatives;
- 6 (4) Title 8, Subtitles 1 and 3;
- 7 (5) Title 9, Subtitle 3; and
- 8 (6) Title 8, Subtitle 4.

9 (b) (1) Except as provided in paragraph (2) of this subsection, the Commission
10 may impose a civil penalty not exceeding \$25,000 against a person who violates a provision
11 of this division, or an effective and outstanding direction, ruling, order, rule, or regulation
12 of the Commission.

13 (2) The civil penalty that the Commission may impose on a common carrier
14 for each violation may not exceed \$2,500.

15 (e) (3) A civil penalty assessed for a violation of [~~§ 7–505(b)(7), § 7–507, §~~
16 ~~7–603, § 7–604, or § 7–606]~~ **§ 7–317, § 7–318, § 7–505(B)(7), § 7–507, § 7–507.1, §**
17 **7–603, § 7–603.1, § 7–604, § 7–606, OR § 7–707** of this article, or a rule, an order, or a
18 regulation adopted under any of those sections, shall be paid into the ~~Retail Choice~~
19 ~~Customer~~ Education and Protection Fund under § 7–310 of this article.

20 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
21 Assembly that:

22 (1) the Public Service Commission shall establish a division within the
23 Commission with the specific responsibility to receive, investigate, and resolve, including
24 by disciplinary actions and prosecution, complaints against electricity suppliers, gas
25 suppliers, and energy salespersons for violations of this Act with respect to retail
26 customers;

27 (2) at least two additional Position Identification Numbers (PINs) shall be
28 created and assigned to the new division, in addition to existing Commission personnel in
29 the Commission's Consumer Affairs Division, who may be assigned to assist the new
30 division in its responsibilities under this Act;

31 (3) the functions of the new division shall be funded by licensing and
32 renewal fees imposed on electricity suppliers, gas suppliers, and energy salespersons under
33 this Act; and

1 (4) a special assessment on public service companies under Section 3 of this
2 Act shall be used for initial funding of the new division.

3 SECTION 3. AND BE IT FURTHER ENACTED, That:

4 (a) Notwithstanding any other provision of law, for fiscal year 2025 only, in
5 addition to the amounts appropriated in the budget bill for fiscal year 2025, the Public
6 Service Commission may impose up to \$275,000 as a special assessment using the
7 assessment process authorized under § 2–110 of the Public Utilities Article, provided that:

8 (1) the assessment shall be imposed only on those electric companies,
9 electricity suppliers, gas companies, and gas suppliers otherwise subject to the assessment
10 under § 2–110 of the Public Utilities Article; and

11 (2) the limit under § 2–110(c)(12) of the Public Utilities Article does not
12 apply to any assessment made under this section.

13 (b) (1) The amounts collected under subsection (a) of this section may be
14 expended for fiscal year 2025 for the support of the Commission in accordance with an
15 approved budget amendment.

16 (2) Notwithstanding § 2–110(c)(10) of the Public Utilities Article, any
17 unexpended funds at the end of fiscal year 2025 that were collected under this section:

18 (i) shall be considered encumbered by the Public Service
19 Commission by June 30, 2025; and

20 (ii) may not be deducted from the appropriation for fiscal year 2026.

21 (c) The bill sent to each electric company, electricity supplier, gas company, and
22 gas supplier subject to the assessment under subsection (a) of this section shall equal the
23 product of multiplying:

24 (1) the amount authorized to be collected under this section; and

25 (2) the ratio of the gross operating revenues of the entity subject to the
26 special assessment to the total gross operating revenues for all entities subject to the
27 assessment.

28 SECTION 4. AND BE IT FURTHER ENACTED, That:

29 (1) the licenses of electricity suppliers and gas suppliers that are licensed
30 by the Public Service Commission as of July 1, 2024, shall expire on a staggered basis as
31 determined by the Commission, such that equal numbers of licenses shall expire
32 throughout each of the following 3 years but not later than June 30, 2027;

SENATE BILL 1

1 (2) the licenses of energy salespersons who are licensed by the Commission
2 on or before June 30, 2027, shall expire on a staggered basis as determined by the
3 Commission, such that equal numbers of licenses shall expire each year; and

4 (3) all new and renewed licenses for electricity suppliers, gas suppliers, and
5 energy salespersons shall be for a term not exceeding 3 years.

6 SECTION 5. AND BE IT FURTHER ENACTED, That, on or before December 31,
7 2024, the Public Service Commission shall:

8 (1) in accordance with § 7–311 of the Public Utilities Article, as enacted by
9 Section 1 of this Act, develop a training and education program for any entity or individual
10 that is licensed by the Commission as an electricity supplier, a gas supplier, an energy
11 salesperson, or an energy vendor; and

12 (2) in accordance with § 2–1257 of the State Government Article, report to
13 the General Assembly on the status of the development of the training and education
14 program required under § 7–311 of the Public Utilities Article, as enacted by Section 1 of
15 this Act.

16 ~~SECTION 5.~~ 6. AND BE IT FURTHER ENACTED, That a presently existing
17 obligation or contract right may not be impaired in any way by this Act.

18 ~~SECTION 6.~~ 7. AND BE IT FURTHER ENACTED, That ~~§ 7–510(d)~~ §§ 7–510(d) and
19 7–604.2(c) of the Public Utilities Article, as enacted by Section 1 of this Act, shall be
20 construed to apply to all electricity supply agreements and gas supply agreements entered
21 into or renewed on or after January 1, 2025.

22 ~~SECTION 7.~~ 8. AND BE IT FURTHER ENACTED, That this Act shall be construed
23 to apply only prospectively and may not be applied or interpreted to have any effect on or
24 application to any electricity supply agreement or gas supply agreement that is in effect on
25 or before December 31, 2024.

26 ~~SECTION 8.~~ 9. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2024.