
By: Senator Miller

Introduced and read first time: February 19, 1997

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Task Force to Study Retail Electric Competition and the Restructuring of the Electric**
3 **Utility Industry**

4 FOR the purpose of establishing a Task Force to Study Retail Electric Competition and
5 the Restructuring of the Electric Utility Industry; providing for the membership,
6 duties, and staffing of the Task Force; requiring the Task Force to conduct hearings
7 and make a report and recommendations by a certain date; requiring the Task
8 Force to study open access to retail electric competition and restructuring of the
9 electric utility industry in Maryland, to study retail electric competition and
10 electricity utility restructuring in other states, and to evaluate the potential benefits
11 and impacts on Maryland citizens and businesses; providing for the effective date
12 and termination of this Act; and generally relating to the Task Force to Study Retail
13 Electric Competition and the Restructuring of the Electric Utility Industry.

14 BY adding to

15 Article 41 - Governor - Executive and Administrative Departments
16 Section 18-313
17 Annotated Code of Maryland
18 (1997 Replacement Volume)

19 Preamble

20 WHEREAS, Allowing retail customers of electric generation to have open access to
21 competitive suppliers of retail electricity is being considered by the U.S. Congress and a
22 majority of states, and has already been mandated by at least one neighboring state; and

23 WHEREAS, The ability of Maryland citizens and businesses to compete in the
24 global market may be harmed unless they have access to reliable electrical power at rates
25 and on terms which are competitive with rates and terms in other states; and

26 WHEREAS, Legislation designed to implement retail competition and any
27 associated restructuring of the electric utility industry will require a careful examination
28 of existing law, and the provisions of that legislation must take into account a variety of
29 issues and factors; now, therefore,

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

2

1 **Article 41 - Governor - Executive and Administrative Departments**

2 18-313.

3 (A) THERE IS A TASK FORCE TO STUDY RETAIL ELECTRIC COMPETITION AND
4 THE RESTRUCTURING OF THE ELECTRIC UTILITY INDUSTRY.

5 (B) THE TASK FORCE CONSISTS OF THE FOLLOWING 18 MEMBERS:

6 (1) TWO MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY THE
7 PRESIDENT OF THE SENATE;

8 (2) TWO MEMBERS OF THE HOUSE OF DELEGATES OF MARYLAND,
9 APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES;

10 (3) THREE MEMBERS OF THE PUBLIC, APPOINTED JOINTLY BY THE
11 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE, ONE OF WHOM
12 SHALL SERVE AS CHAIRMAN; AND

13 (4) 11 MEMBERS APPOINTED BY THE GOVERNOR, AS FOLLOWS:

14 (I) ONE REPRESENTATIVE OF THE MARYLAND ENERGY
15 ADMINISTRATION;

16 (II) ONE REPRESENTATIVE OF THE DEPARTMENT OF BUSINESS
17 AND EMPLOYMENT DEVELOPMENT;

18 (III) TWO MEMBERS REPRESENTING INDUSTRIAL ELECTRIC
19 CUSTOMERS;

20 (IV) TWO MEMBERS REPRESENTING COMMERCIAL ELECTRIC
21 CUSTOMERS;

22 (V) TWO MEMBERS REPRESENTING RESIDENTIAL ELECTRIC
23 CUSTOMERS;

24 (VI) THREE MEMBERS REPRESENTING THE ELECTRIC UTILITY
25 INDUSTRY IN MARYLAND.

26 (C) THE TASK FORCE SHALL:

27 (1) CONDUCT HEARINGS TO SOLICIT COMMENTS AND
28 RECOMMENDATIONS FROM CONSUMERS AND GENERATORS OF ELECTRICITY;

29 (2) SOLICIT COMMENTS AND RECOMMENDATIONS FROM THE
30 MARYLAND PUBLIC SERVICE COMMISSION AND THE OFFICE OF PEOPLE'S COUNSEL;

31 (3) EVALUATE THE IMPACT OF IMPLEMENTING RETAIL ELECTRIC
32 COMPETITION ON MARYLAND GENERATORS OF ELECTRICITY, PARTICULARLY
33 RELATING TO THE RECOVERY OF STRANDED COSTS;

34 (4) EVALUATE AND PRODUCE A REPORT ON THE POTENTIAL BENEFITS
35 OF RETAIL ELECTRIC COMPETITION TO MARYLAND CITIZENS AND BUSINESSES AND
36 THE POTENTIAL IMPACTS ON MARYLAND CITIZENS AND BUSINESSES OF ANY DELAY
37 IN ALLOWING RETAIL ELECTRIC COMPETITION;

3

1 (5) IDENTIFY, DOCUMENT, AND STUDY THE TERMS UNDER WHICH
2 RETAIL ELECTRIC COMPETITION IS BEING OFFERED IN OTHER STATES;

3 (6) IDENTIFY, DOCUMENT, AND STUDY THE RESTRUCTURING OF THE
4 ELECTRIC UTILITY INDUSTRY IN OTHER STATES;

5 (7) EVALUATE ANY TAXATION AND REGULATORY ISSUES ASSOCIATED
6 WITH RETAIL ELECTRIC COMPETITION;

7 (8) EVALUATE AND RECOMMEND THE TERMS UNDER WHICH RETAIL
8 ELECTRIC COMPETITION SHOULD BE OFFERED IN MARYLAND, AND MAKE
9 RECOMMENDATIONS CONCERNING THE RESTRUCTURING OF THE ELECTRIC
10 UTILITY INDUSTRY IN MARYLAND;

11 (9) DETERMINE IF LEGISLATION SHOULD BE INTRODUCED IN THE 1998
12 SESSION OF THE MARYLAND GENERAL ASSEMBLY TO IMPLEMENT THE
13 RECOMMENDATIONS OF THE TASK FORCE AND, IF SO, DRAFT A MODEL FOR THE
14 LEGISLATION; AND

15 (10) CONSIDER ANY OTHER PERTINENT ISSUES.

16 (D) THE MEMBERS OF THE TASK FORCE SHALL SERVE WITHOUT
17 COMPENSATION.

18 (E) THE DEPARTMENTS OF LEGISLATIVE REFERENCE AND FISCAL SERVICES
19 SHALL PROVIDE STAFF SUPPORT TO THE TASK FORCE.

20 (F) THE TASK FORCE SHALL ISSUE A FINAL REPORT OF ITS FINDINGS AND
21 RECOMMENDATIONS, SUBJECT TO § 2-1312 OF THE STATE GOVERNMENT ARTICLE,
22 TO THE GENERAL ASSEMBLY ON OR BEFORE DECEMBER 15, 1997.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 June 1, 1997. It shall remain effective for a period of 1 year and 1 month and, at the end
25 of June 30, 1998, with no further action required by the General Assembly, this Act shall
26 be abrogated and of no further force and effect.