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By: **Chairman, Environmental Matters Committee (Departmental - Public Service Commission)**

Introduced and read first time: January 28, 1998

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Local Housing Authorities - Submetering**

3 FOR the purpose of allowing local housing authorities to submeter combinations of  
4 certain units with the approval of the Public Service Commission subject to  
5 certain provisions.

6 BY repealing and reenacting, with amendments,  
7 Article - Public Utility Companies  
8 Section 7-303  
9 Annotated Code of Maryland  
10 (As enacted by Chapter \_\_\_\_\_ (S.B. 1) of the Acts of the General Assembly of  
11 1998)

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

14 **Article - Public Utility Companies**

15 7-303.

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

17 (2) (i) "Apartment house" means one or more buildings that each  
18 contain more than two dwelling units and in which all the dwelling units are occupied  
19 primarily for nontransient use with rent paid at intervals of 1 week or longer.

20 (ii) "Apartment house" includes a residential condominium or  
21 cooperative, whether the units are rented or owner occupied.

22 (3) "Commercial rental unit" means any leased premises used for retail,  
23 commercial, clerical, or professional purposes.

24 (4) "Dwelling unit" means premises that consist of one or more rooms  
25 suitable for occupancy as a residence and that contain kitchen and bathroom  
26 facilities.

1 (5) "Office building" means one or more buildings that each contain two  
2 or more commercial rental units.

3 (6) "Shopping center" means any combination of privately owned  
4 commercial, professional, or retail establishments to which the general public is  
5 invited for business purposes.

6 (7) "Submetering" means the installation of equipment to determine the  
7 actual use of gas or electricity for each:

8 (i) residential unit in an apartment house; or

9 (ii) commercial rental unit in an office building or shopping center.

10 (b) An apartment house, office building, or shopping center that contains a  
11 combination of dwelling units or commercial rental units is included under the  
12 requirements of this section.

13 (C) SUBJECT TO THE PROVISIONS OF THIS SECTION, AND WITH THE  
14 APPROVAL OF THE COMMISSION, A LOCAL HOUSING AUTHORITY ESTABLISHED  
15 UNDER ARTICLE 44A OF THE CODE MAY SUBMETER ANY COMBINATION OF  
16 APARTMENT HOUSES, COMMERCIAL RENTAL UNITS, DWELLING UNITS, OFFICE  
17 BUILDINGS, AND SHOPPING CENTERS.

18 [(c)] (D)(1) Notwithstanding any other law, the Commission shall adopt  
19 regulations to establish standards:

20 (i) by which an owner, operator, or manager of an apartment  
21 house, office building, or shopping center may install submetering equipment for each  
22 dwelling unit or commercial rental unit that is not individually metered for gas or  
23 electricity; and

24 (ii) to allocate fairly the cost of each unit's gas or electrical  
25 consumption.

26 (2) (i) An owner, operator, or manager of an apartment house, office  
27 building, or shopping center who installs submetering equipment under this section  
28 to provide bulk metered service may not impose on a unit in the facility any utility  
29 cost except the charges that the Commission authorizes and that the gas company or  
30 electric company actually imposes on the owner, operator, or manager.

31 (ii) The charges imposed under subparagraph (i) of this paragraph  
32 shall be allocated among the units in proportion to the actual usage of cubic feet or  
33 kilowatt hours by the unit.

34 (iii) The owner, operator, or manager of an apartment house, office  
35 building, or shopping center may collect an additional service charge not exceeding \$1  
36 per unit per month to cover administrative costs and billing.

1           (3)   (i)    The requirements of this paragraph do not apply to units  
2 constructed, managed, operated, developed, or subsidized by a local housing authority  
3 established under Article 44A of the Code.

4           (ii)    If the owner, operator, or manager of an apartment house, office  
5 building, or shopping center installs submeters during the term of a lease or  
6 agreement that includes the cost of gas or electricity consumed for the unit, the  
7 owner, operator, or manager shall:

8                           1.       determine the amount of gas or electric costs saved by that  
9 unit; and

10                          2.       pass that amount on to the unit's occupant as a payment  
11 or reduction in rent.

12           (4)    All submetering equipment under this section is subject to:

13                          (i)     the regulations and standards that the Commission adopts for  
14 the accuracy, testing, and record keeping of meters that gas companies or electric  
15 companies install; and

16                          (ii)    the meter requirements of §§ 7-301 and 7-302 of this subtitle.

17    [(d)] (E) The regulations that the Commission adopts under this section shall:

18                          (1)     include appropriate safeguards for the occupant of the dwelling unit  
19 or commercial rental unit;

20                          (2)     require that the utility costs and charges on each unit be imposed in  
21 accordance with subsection [(c)(2)] (D)(2) of this section; and

22                          (3)     require that the owner, operator, or manager of the apartment house,  
23 office building, or shopping center:

24                                  (i)     maintain adequate records regarding submetering; and

25                                  (ii)    allow the occupant of the unit to inspect the records during  
26 reasonable business hours.

27    [(e)] (F) A regulation or standard that the Commission adopts under this  
28 section may be enforced under §§ 3-104 and 13-101 of this article.

29    [(f)] (G) The owner, operator, or manager of an apartment house, office  
30 building, or shopping center:

31                                  (1)     may not be considered a public service company; and

32                                  (2)     may use metering equipment only to allocate fairly the costs of gas or  
33 electric service among the occupants of the apartment house, office building, or  
34 shopping center in accordance with subsection [(d)] (E) of this section.

1 [(g)] (H)(1) A complaint by an occupant of a dwelling unit or commercial  
2 rental unit against an owner, operator, or manager of an apartment house, office  
3 building, or shopping center under this section may be filed in the county or  
4 municipal corporation where the apartment house, office building, or shopping center  
5 is located.

6 (2) A complaint filed under paragraph (1) of this subsection may be  
7 handled by:

8 (i) the landlord-tenant commission, if one exists, of the county or  
9 municipal corporation;

10 (ii) the consumer protection agency, if one exists, of the county or  
11 municipal corporation if there is not a landlord-tenant commission in the county or  
12 municipal corporation;

13 (iii) the Consumer Protection Division of the Office of the Attorney  
14 General, if there is not a consumer protection agency in the county or municipal  
15 corporation; or

16 (iv) any other State or local government unit or office designated to  
17 handle tenants' complaints.

18 [(h)] (I) This section does not affect the right of an owner, operator, or  
19 manager of an apartment house, office building, or shopping center to redistribute  
20 gas or electricity to tenants or occupants.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 1998.