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

Introduced and read first time: January 28, 1998

Assigned to: Environmental Matters

Committee Report: Favorable

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Read second time: February 17, 1998

CHAPTER _____

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.

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

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

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

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

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

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

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

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

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

20 (C) SUBJECT TO THE PROVISIONS OF THIS SECTION, AND WITH THE
21 APPROVAL OF THE COMMISSION, A LOCAL HOUSING AUTHORITY ESTABLISHED
22 UNDER ARTICLE 44A OF THE CODE MAY SUBMETER ANY COMBINATION OF
23 APARTMENT HOUSES, COMMERCIAL RENTAL UNITS, DWELLING UNITS, OFFICE
24 BUILDINGS, AND SHOPPING CENTERS.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (i) maintain adequate records regarding submetering; and

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

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

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

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

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

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

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

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

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

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

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

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

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