

HOUSE BILL 478

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C5

1998 Regular Session
8r1521
CF 8r1692

By: **Delegate Guns**

Introduced and read first time: February 4, 1998
Assigned to: Environmental Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 26, 1998

CHAPTER _____

1 AN ACT concerning

2 **Steam Heating Companies**

3 FOR the purpose of ~~eliminating the jurisdiction of the Public Service Commission~~
4 ~~over steam heating companies; providing that a steam heating company is an~~
5 ~~"owner" for purposes of certain underground utility provisions requiring the~~
6 Public Service Commission to remove a steam heating company from the
7 Commission's jurisdiction under certain circumstances; requiring the
8 Commission to conduct certain proceedings; prohibiting the Commission from
9 categorizing a steam heating company as a certain entity; requiring the
10 Commission to seek certain legislation under certain circumstances; and
11 generally relating to steam heating companies.

12 ~~BY repealing and reenacting, with amendments,~~
13 ~~Article Public Utility Companies~~
14 ~~Section 1-101(p), 4-401, 4-402(a) and (b), 6-202(b), and 12-101(f)~~
15 ~~Annotated Code of Maryland~~
16 ~~(As enacted by Chapter _____ (S.B. 1) of the Acts of the General Assembly of 1998)~~

17 ~~BY repealing~~
18 ~~Article Public Utility Companies~~
19 ~~Section 1-101(w)~~
20 ~~Annotated Code of Maryland~~
21 ~~(As enacted by Chapter _____ (S.B. 1) of the Acts of the General Assembly of 1998)~~

22 ~~BY renumbering~~
23 ~~Article Public Utility Companies~~

1 Section 1-101(x) through (gg), respectively
 2 to be Section 1-101(w) through (ff), respectively
 3 Annotated Code of Maryland
 4 (As enacted by Chapter _____ (S.B. 1) of the Acts of the General Assembly of 1998)

5 BY adding to
 6 Article - Public Utility Companies
 7 Section 5-107
 8 Annotated Code of Maryland
 9 (As enacted by Chapter _____ (S.B. 1) of the Acts of the General Assembly of 1998)

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

12 **Article - Public Utility Companies**

13 ~~1-101.~~

14 ~~(p) "Public service company" means a common carrier company, electric~~
 15 ~~company, gas company, sewage disposal company, [steam heating company,]~~
 16 ~~telegraph company, telephone company, water company, or any combination of public~~
 17 ~~service companies.~~

18 ~~[(w) "Steam heating company" means a public service company that~~
 19 ~~manufactures, sells, or distributes steam for use, sale, or distribution.]~~

20 ~~4-401.~~

21 ~~As it considers necessary, and in accordance with the requirements of §§ 4-402~~
 22 ~~and 4-403 of this subtitle, the Commission may allow a gas company[,] OR electric~~
 23 ~~company[, or steam heating company] to establish a sliding scale to adjust costs of its~~
 24 ~~fuel, purchased power, or purchased gas.~~

25 ~~4-402.~~

26 (a) ~~(1)~~ This section applies to:

27 ~~(i)~~ the electric fuel rate adjustment clause of each electric company
 28 ~~that is not subject to § 4-403 of this subtitle;~~

29 ~~(ii)~~ ~~[the fuel rate adjustment clause of a steam heating company;~~

30 ~~(iii)]~~ ~~purchased power adjustment clauses; and~~

31 ~~[(iv)]~~ ~~(iii)~~ ~~purchased gas adjustment clauses.~~

32 ~~(2)~~ This section does not apply to a small rural electric cooperative.

1 (b) A [~~steam heating company,~~] gas company[,]~~] or electric company that~~
 2 ~~directly passes on to its customers changes in fuel costs, costs of purchased power, or~~
 3 ~~costs of purchased gas shall verify and justify the adjusted costs to the Commission~~
 4 ~~each month.~~

5 ~~6-202.~~

6 (b) ~~Two public service companies are of the same class, if they are both:~~

- 7 (1) ~~common-carrier companies;~~
- 8 (2) ~~electric companies;~~
- 9 (3) ~~gas companies;~~
- 10 (4) ~~gas and electric companies;~~
- 11 (5) ~~sewage disposal companies;~~
- 12 (6) ~~[steam heating companies;~~
- 13 (7)] ~~telegraph companies;~~
- 14 [(8)] (7) ~~telephone companies; or~~
- 15 [(9)] (8) ~~water companies.~~

16 ~~12-101.~~

- 17 (f) (1) "Owner" means a person that:
 - 18 (i) ~~owns or operates an underground facility; and~~
 - 19 (ii) ~~has the right to bury an underground facility.~~
- 20 (2) "Owner" includes:
 - 21 (i) ~~a public utility;~~
 - 22 (ii) ~~a telecommunications corporation;~~
 - 23 (iii) ~~a cable television corporation;~~
 - 24 (iv) ~~a political subdivision;~~
 - 25 (v) ~~a municipal corporation;~~
 - 26 (VI) ~~A STEAM HEATING COMPANY; and~~
 - 27 [(vi)] (VII) ~~an authority.~~

1 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 1-101(x)
2 through (gg), respectively, of Article ~~Public Utility Companies~~ of the Annotated Code
3 of Maryland (as enacted by Chapter _____ (S.B. 1) of the Acts of the General
4 Assembly of 1998) be renumbered to be Section(s) 1-101(w) through (ff), respectively.

5 5-107.

6 (A) UPON APPLICATION FROM A REGULATED STEAM HEATING COMPANY, THE
7 COMMISSION SHALL CONDUCT PROCEEDINGS TO CONSIDER WHETHER THE
8 APPLICANT SHOULD CONTINUE TO BE REGULATED AS A PUBLIC SERVICE COMPANY.

9 (B) IF THE COMMISSION DETERMINES THAT REMOVING STEAM HEATING
10 COMPANIES FROM THE COMMISSION'S JURISDICTION IS IN THE PUBLIC INTEREST,
11 THE COMMISSION SHALL REMOVE THE APPLICANT FROM THE COMMISSION'S
12 JURISDICTION BY ORDER IF THE COMMISSION DETERMINES THAT THERE ARE
13 AVAILABLE TO THE CUSTOMERS OF THE APPLICANT REASONABLE ALTERNATIVE
14 SOURCES OF HEAT AT A COMPETITIVE PRICE.

15 (C) A STEAM HEATING COMPANY THAT HAS MADE APPLICATION UNDER
16 SUBSECTION (A) OF THIS SECTION MAY NOT BE DEEMED TO BE A PUBLIC SERVICE
17 COMPANY FOR THE PURPOSES OF THIS ARTICLE ON OR AFTER THE DATE OF AN
18 ORDER THAT REMOVES THE APPLICANT STEAM HEATING COMPANY FROM THE
19 COMMISSION'S JURISDICTION.

20 SECTION 2. AND IT BE FURTHER ENACTED, That on entry of an order
21 removing a steam heating company from the Public Service Commission's
22 jurisdiction, the Commission shall seek legislation to amend the Annotated Code of
23 Maryland to reflect the removal of steam heating companies from the Commission's
24 jurisdiction.

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 1998.