

SENATE BILL 28

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1999 Regular Session
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(PRE-FILED)

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

Requested: July 27, 1998
Introduced and read first time: January 13, 1999
Assigned to: Finance

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: February 23, 1999

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission - Gas Companies - Civil Penalties**

3 FOR the purpose of ~~increasing~~ providing that the civil penalties that may be assessed
4 against a gas company or gas master meter operator for violations of certain
5 Public Service Commission safety standards and regulations may not exceed the
6 injunctive and monetary sanctions provided under a certain federal act; and
7 generally relating to the regulation of gas companies by the Public Service
8 Commission.

9 BY repealing and reenacting, with amendments,
10 Article - Public Utility Companies
11 Section 13-203
12 Annotated Code of Maryland
13 (1998 Volume)

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

16 **Article - Public Utility Companies**

17 13-203.

18 (a) A gas company or gas master meter operator that violates any of the
19 Commission's standards of safe service or other regulation related to safety adopted
20 under § 5-101 of this article is subject to a civil penalty determined by the

1 Commission that does not exceed THE MAXIMUM PENALTIES PROVIDED IN TITLE 49,
2 CHAPTER 601 OF THE U.S. CODE (FEDERAL NATURAL GAS PIPELINE SAFETY ACT):

3 (1) [~~\$10,000~~] ~~\$25,000~~ for each violation for each day or part of a day that
4 the violation continues; and

5 (2) ~~\$500,000~~ for a related series of violations.

6 (b) Within 30 days after the date of notification of the determination, the gas
7 company or gas master meter operator involved may request reconsideration to
8 obtain a compromise.

9 (c) In determining the amount of a civil penalty or compromise, the
10 Commission shall consider the:

11 (1) appropriateness of the penalty to the size of the gas company or gas
12 master meter operator;

13 (2) gravity of the current violation; and

14 (3) good faith of the gas company or gas master meter operator in
15 attempting to achieve compliance after notification of the violation.

16 (d) The amount of the penalty, when finally determined or agreed on in
17 compromise, may be:

18 (1) deducted from any amount that the State owes to the gas company or
19 gas master meter operator; or

20 (2) recovered in a civil action in State court.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 1999.