

SENATE BILL 168

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1999 Regular Session
9r0116

By: **Chairman, Economic and Environmental Affairs Committee**
(Departmental - Natural Resources)

Introduced and read first time: January 28, 1999

Assigned to: Rules

Re-referred to: Economic and Environmental Affairs, February 1, 1999

Committee Report: Favorable

Senate action: Adopted

Read second time: March 23, 1999

CHAPTER _____

1 AN ACT concerning

2 **Environmental Trust Fund - Extension**

3 FOR the purpose of continuing the environmental surcharge on certain electrical
4 energy generated in the State until a certain date in order to provide funding for
5 assessment and resolution of environmental issues related to the siting,
6 construction, and operation of electricity generating facilities and transmission
7 lines.

8 BY repealing and reenacting, without amendments,
9 Article - Natural Resources
10 Section 3-302(a)
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 1998 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article - Natural Resources
15 Section 3-302(b)
16 Annotated Code of Maryland
17 (1997 Replacement Volume and 1998 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article - Public Utility Companies
20 Section 7-203(e)
21 Annotated Code of Maryland

1 (1998 Volume)

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

4 **Article - Natural Resources**

5 3-302.

6 (a) There is an Environmental Trust Fund. For the purpose of this subtitle,
7 there is established as an added cost of generation, an environmental surcharge per
8 kilowatt hour of electric energy generated in the State to be paid by any electric
9 company as defined in § 1-101 of the Public Utility Companies Article. This surcharge
10 initially shall be assessed at 0.1 mill per kilowatt hour as of January 1, 1972. The
11 Public Service Commission shall impose the surcharge per kilowatt hour of electric
12 energy generated within the State and shall authorize the electric companies to add
13 the full amount of the surcharge to customers' bills. To the extent that the surcharge
14 is not collected from customers, the surcharge shall be deemed a cost of generation
15 and shall be allowed and computed as such, together with other allowable expenses,
16 for rate-making purposes. Revenues from the surcharge shall be collected by the
17 Comptroller and placed in the Fund.

18 (b) (1) The Secretary, in consultation with the Director of the Maryland
19 Energy Administration, annually shall coordinate the preparation of a budget
20 required to carry out the provisions of this subtitle. Upon approval of the budget by
21 the General Assembly, the Public Service Commission shall establish the amount of
22 the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for
23 each subsequent fiscal year.

24 (2) Notwithstanding any other provisions of this subtitle, the amount of
25 the surcharge for each account may not exceed the lesser of 0.15 mil per kilowatt hour
26 or \$1,000 per month and the surcharge may not continue beyond Fiscal Year [2000]
27 2005.

28 (3) The Comptroller shall maintain the method of collection of the
29 surcharge from the companies and the collections shall accrue to the Fund. The
30 Department shall credit against the amount required to be paid into the
31 Environmental Trust Fund by each electric company an amount equal to 1 1/2% of the
32 total surcharge attributed to each company on the basis of the electricity generated
33 within Maryland.

34 **Article - Public Utility Companies**

35 7-203.

36 (e) The surcharge imposed under this subtitle shall terminate on June 30,
37 [2000] 2005.

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

