

SENATE BILL 557

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1999 Regular Session
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By: **Senators Frosh, Blount, Collins, Currie, Dyson, Forehand, Hollinger,
McFadden, Kelley, Lawlah, Sfikas, Stone, Teitelbaum, Green, and
Pinsky**

Introduced and read first time: February 5, 1999
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection and Electric Utility Restructuring Act of 1999**

3 FOR the purpose of expanding a certain net energy billing program to include certain
4 renewable energy resources; providing that a retail customer may not purchase
5 electricity directly from a retail electric service provider unless certain
6 conditions are met; allowing certain local government electric companies to elect
7 not to allow retail access within their service territories under certain
8 circumstances and subject to certain conditions; providing for the conditions
9 under which certain local government electric companies may allow retail access
10 within their service territories and participate in retail access outside their
11 service territories; prohibiting certain persons from certain activities unless
12 certain conditions are met; requiring the Commission to make certain
13 determinations before issuing certain licenses; requiring the Commission to
14 adopt regulations by a certain time; authorizing the Commission to establish
15 certain parameters for certain licenses; authorizing the Commission to suspend
16 or revoke certain licenses, issue cease and desist orders, or impose certain fines
17 and penalties under certain circumstances; prohibiting the transfer of certain
18 licenses unless certain conditions are met; authorizing the Office of Peoples
19 Counsel to engage in certain activities; prohibiting certain retail electric service
20 providers from certain activities unless certain conditions are met; providing a
21 process for certain customers to withdraw consent for disclosure of certain
22 information under certain circumstances; authorizing certain customers to
23 inspect certain records under certain circumstances; requiring the Commission
24 to consult with the Office of the Attorney General under certain circumstances;
25 authorizing certain customers to seek certain remedies under certain conditions;
26 authorizing the Commission to take certain matters into consideration in
27 certain situations; requiring the Commission to cooperate with the Office of the
28 Attorney General under certain circumstances; prohibiting certain retail electric
29 service providers from discriminating against or applying different standards to
30 certain people based upon certain circumstances; requiring the Commission to
31 require certain bills to include certain information and be of a certain format;
32 requiring certain electric distribution utilities to provide certain services to
33 certain customers under certain circumstances; requiring the Commission to

1 receive certain advice from the Low-Income Energy Assistance Board;
2 authorizing the Commission to terminate certain utility obligations under
3 certain circumstances; authorizing certain entities to form certain aggregators
4 under certain circumstances; establishing a Public Benefits Fund; providing for
5 the purpose and source of funds to be placed in the Fund; requiring the
6 Comptroller to account for the Fund; providing for the manner of distribution of
7 funds from the Fund; requiring the Maryland Energy Administration to develop
8 certain programs and establish certain budgets; requiring the director of a
9 certain Maryland Energy Assistance Board to convene a certain advisory board
10 within a certain time; requiring a certain advisory board to conduct certain
11 activities; providing for a certain time period for certain electric companies to
12 apply to the Commission for a determination of certain costs; requiring the
13 Commission to make certain determinations within a certain time period;
14 requiring the Commission to calculate certain costs using certain parameters;
15 authorizing the Commission to determine the extent of recovery of certain costs
16 based upon certain factors; authorizing the Commission to utilize a certain cost
17 recovery mechanism under certain circumstances; requiring the Commission to
18 reconcile certain costs on a periodic basis; authorizing the Commission to
19 establish certain incentives for the reduction of certain costs; requiring the
20 Commission to monitor certain markets to identify and prevent certain conduct
21 under certain circumstances; authorizing certain persons to file certain
22 complaints with the Commission; authorizing the Commission to initiate certain
23 investigations under certain circumstances; prohibiting certain vertically
24 integrated investor-owned electric companies from engaging in certain
25 activities except under certain conditions; requiring the Commission to require
26 certain service to be provided under certain circumstances; providing that the
27 Commission will have certain jurisdiction over certain companies and their
28 affiliates, subsidiaries, and other entities controlled by the company for certain
29 purposes; requiring certain retail electric service providers to provide certain
30 minimum percentages of kilowatt-hour sales to certain customers from
31 renewable energy resources by certain dates; requiring certain retail electric
32 service providers to provide a certain report to the Commission; providing for
33 certain fines if certain conditions are not met; requiring certain retail electric
34 service providers or certain other entities to comply with certain environmental
35 standards by a certain date; requiring certain electric service providers to certify
36 to the Commission that they comply with certain requirements; requiring the
37 Commission to, in consultation with the Department of the Environment, adopt
38 certain measures to maintain certain safeguards and adapt and develop certain
39 programs for certain purposes; requiring retail electric service providers to
40 disclose certain information to certain customers under certain circumstances;
41 requiring the Commission to, in consultation with the Department of the
42 Environment, conduct proceedings to establish certain standards and
43 procedures by a certain date; requiring the Commission to make certain
44 determinations regarding certain layoffs; providing for certain eligibility
45 standards for certain employees under certain circumstances; requiring certain
46 electric companies to file a certain plan within a certain time; providing for the
47 required contents of a certain plan; requiring certain electric companies to
48 conduct certain activities; requiring the Commission to allocate certain costs to

1 certain ratepayers through certain means; requiring certain charges to be
2 transferred to a certain administrator for certain purposes; providing for the
3 scope of certain sections and certain subtitles; altering a certain exception to
4 certain commercial law requirements; extending to a certain date the sunset of
5 the Environmental Trust Fund; defining certain terms; and generally relating to
6 consumer protections and electric industry restructuring.

7 BY repealing and reenacting, with amendments,
8 Article - Public Utility Companies
9 Section 7-203(e) and 7-306
10 Annotated Code of Maryland
11 (1998 Volume)

12 BY adding to
13 Article - Public Utility Companies
14 Section 7-501 through 7-519, inclusive, to be under the new subtitle "Subtitle 5.
15 Consumer Protection and Electric Utility Restructuring"
16 Annotated Code of Maryland
17 (1998 Volume)

18 BY repealing and reenacting with amendments,
19 Article - Commercial Law
20 Section 13-104
21 Annotated Code of Maryland
22 (1990 Replacement Volume and 1998 Supplement)

23 BY repealing and reenacting, without amendments,
24 Article - Natural Resources
25 Section 3-302(a)
26 Annotated Code of Maryland
27 (1997 Replacement Volume and 1998 Supplement)

28 BY repealing and reenacting, with amendments,
29 Article - Natural Resources
30 Section 3-302(b)
31 Annotated Code of Maryland
32 (1997 Replacement Volume and 1998 Supplement)

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

1 **Article - Public Utility Companies**

2 7-203.

3 (e) The surcharge imposed under this subtitle shall terminate on June 30,
4 [2000] 2005.

5 7-306.

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

7 (2) "Eligible customer-generator" means a customer that:

8 (i) is served by an electric company at a single-family dwelling
9 which is:10 1. a residence of the customer on a residential service tariff;
11 or12 2. the principal residence of the customer on a general
13 service tariff; and14 (ii) owns and operates [a solar] A RENEWABLE ENERGY
15 RESOURCE-FUELED electrical generating facility that:

16 1. has a capacity of not more than 80 kilowatts;

17 2. is located on the customer's premises;

18 3. is interconnected and operated in parallel with an electric
19 company's transmission and distribution facilities; and20 4. is intended primarily to offset all or part of the customer's
21 own electricity requirements.22 (3) "Net energy metering" means measurement of the difference between
23 the electricity that is supplied by an electric company and the electricity that is
24 generated by an eligible customer-generator and fed back to the electric company
25 over the eligible customer-generator's billing period.26 (4) "RENEWABLE ENERGY RESOURCE" HAS THE MEANING STATED IN §
27 7-515 OF THIS TITLE.28 (b) The General Assembly finds and declares that a program to provide net
29 energy metering for eligible customer-generators is a means to encourage private
30 investment in renewable energy resources, stimulate in-State economic growth,
31 enhance continued diversification of the State's energy resource mix, and reduce costs
32 of interconnection and administration.

1 (c) An electric company serving an eligible customer-generator shall ensure
2 that the meter installed for net energy metering is capable of measuring the flow of
3 electricity in two directions.

4 (d) The Commission shall require electric utilities to develop a standard
5 contract or tariff for net energy metering and make it available to eligible
6 customer-generators on a first-come, first-served basis until the rated generating
7 capacity owned and operated by eligible customer-generators in the State reaches
8 34.722 megawatts, 0.2% of the State's adjusted peak-load forecast for 1998.

9 (e) (1) A net energy metering contract or tariff shall be identical, in energy
10 rates, rate structure, and monthly charges, to the contract or tariff that the customer
11 would be assigned if the customer were not an eligible customer-generator.

12 (2) (i) A net energy metering contract or tariff may not include charges
13 that would raise the eligible customer-generator's minimum monthly charge above
14 that of customers of the rate class to which the eligible customer-generator would
15 otherwise be assigned.

16 (ii) Charges prohibited by this paragraph include new or additional
17 demand charges, standby charges, customer charges, and minimum monthly charges.

18 (f) The electric company shall calculate net energy metering, subject to the
19 following:

20 (1) net energy produced or consumed on a monthly basis shall be
21 measured in accordance with standard metering practices;

22 (2) if electricity supplied by the grid exceeds electricity generated by the
23 eligible customer-generator during a month, the eligible customer-generator shall be
24 billed for the net energy supplied in accordance with subsection (e) of this section; and

25 (3) if electricity generated by the eligible customer-generator exceeds
26 the electricity supplied by the grid, the eligible customer-generator shall be required
27 to pay only customer charges for that month in accordance with subsection (e) of this
28 section.

29 (g) (1) [A solar-electric] A RENEWABLE ENERGY RESOURCE-ELECTRIC
30 generating system used by an eligible customer-generator shall meet all applicable
31 safety and performance standards established by the National Electrical Code, the
32 Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

33 (2) The Commission may adopt by regulation additional control and
34 testing requirements for eligible customer-generators that the Commission
35 determines are necessary to protect public safety and system reliability.

36 (3) An electric company may not require an eligible customer-generator
37 whose [solar-electric] RENEWABLE ENERGY RESOURCE-ELECTRIC generating
38 system meets the standards of paragraphs (1) and (2) of this subsection to:

- 1 (i) install additional controls;
- 2 (ii) perform or pay for additional tests; or
- 3 (iii) purchase additional liability insurance.

4 SUBTITLE 5. CONSUMER PROTECTION AND ELECTRIC UTILITY RESTRUCTURING.
5 7-501.

6 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
7 INDICATED.

8 (B) "AFFILIATE" MEANS A PERSON THAT DIRECTLY OR INDIRECTLY OR
9 THROUGH ONE OR MORE INTERMEDIARIES, CONTROLS, IS CONTROLLED BY, OR IS
10 UNDER COMMON CONTROL WITH A PERSON PROVIDING A REGULATED UTILITY
11 SERVICE.

12 (C) "AFFORDABLE ELECTRIC SERVICE" MEANS ELECTRIC SERVICE PROVIDED
13 AT A COST TO A QUALIFYING LOW-INCOME CONSUMER THAT REPRESENTS A
14 REASONABLE PROPORTION OF THE HOUSEHOLD FAMILY INCOME OF THAT
15 CONSUMER.

16 (D) "BASIC ELECTRIC SERVICE" MEANS THE SAME SERVICES WHICH WERE
17 PROVIDED TO RESIDENTIAL CUSTOMERS UNDER THE COMMISSION-APPROVED
18 RESIDENTIAL SERVICE TARIFF IN EFFECT PRIOR TO RETAIL ACCESS.

19 (E) "CONTROL" HAS THE MEANING STATED IN § 6-201 OF THIS ARTICLE.

20 (F) "ELECTRIC DISTRIBUTION UTILITY" MEANS A UTILITY THAT IS IN THE
21 BUSINESS OF SUPPLYING NONCOMPETITIVE ELECTRIC DISTRIBUTION SERVICE ON
22 OR AFTER THE DATE WHEN ANY RETAIL CUSTOMERS ARE AUTHORIZED TO OBTAIN
23 FORMERLY REGULATED GENERATION OR ELECTRIC SUPPLY SERVICE FROM ENERGY
24 SERVICE PROVIDERS.

25 (G) "FINANCIAL INTEGRITY" MEANS THE ABILITY OF AN ENTITY TO MEET ITS
26 SHORT- AND LONG-TERM FINANCIAL OBLIGATIONS ON A TIMELY BASIS.

27 (H) "GENERATION ASSETS" MEANS ALL REAL ESTATE, FIXTURES, REAL
28 PROPERTY, PERSONAL PROPERTY, AND POWER PURCHASE CONTRACTUAL RIGHTS
29 USED, OPERATED, OR MANAGED IN CONNECTION WITH OR TO FACILITATE THE
30 GENERATION OF ELECTRIC POWER.

31 (I) (1) "GENERATION-RELATED REGULATORY ASSETS" MEANS
32 GENERATION-RELATED COSTS AUTHORIZED BY THE COMMISSION AND APPROVED
33 FOR INCLUSION IN RATES AS DEFERRED COSTS BOOKED AS ASSETS PRIOR TO JULY 1,
34 2000.

35 (2) "GENERATION-RELATED REGULATORY ASSETS" INCLUDES COSTS
36 INCURRED FOR DEFERRED TAXES, ENERGY CONSERVATION COSTS, AND

1 ENVIRONMENTAL REMEDIATION COSTS, ADJUSTED FOR ANY APPLICABLE CREDITS
2 OR REGULATORY LIABILITIES PAYABLE TO CUSTOMERS.

3 (J) "HOLDING COMPANY" MEANS "PARENT" AS DEFINED IN § 6-201 OF THIS
4 ARTICLE.

5 (K) "PERSON" INCLUDES A GOVERNMENT CORPORATION, STATE UNIT, OR
6 POLITICAL SUBDIVISION OF THE STATE.

7 (L) "POWER PURCHASE CONTRACT" MEANS A CONTRACT ENTERED INTO BY
8 AN ELECTRIC COMPANY TO PURCHASE CAPACITY OR ENERGY.

9 (M) "POWER SOURCE" MEANS THE GENERATION ASSETS RELIED ON TO MEET
10 THE LOAD OF RETAIL CUSTOMERS.

11 (N) "PURPA CONTRACT" MEANS A POWER PURCHASE CONTRACT GOVERNED
12 BY 16 U.S.C. § 824A-3 OF THE PUBLIC UTILITY REGULATORY POLICY ACT.

13 (O) "RETAIL ACCESS" MEANS THE RIGHT OF AN END-USE CONSUMER OF
14 ELECTRICITY TO PURCHASE SERVICES FROM AN ENERGY SERVICE PROVIDER.

15 (P) (1) "RETAIL ELECTRIC SERVICE PROVIDER" MEANS A SELLER,
16 MARKETER, BROKER, AGGREGATOR, OR OTHER PERSON PROVIDING ANY
17 COMPONENT OF FORMERLY REGULATED ELECTRIC SERVICE WHICH IS A
18 COMPETITIVE SERVICE.

19 (2) "RETAIL ELECTRIC SERVICE PROVIDER" DOES NOT INCLUDE A
20 BUYERS AGGREGATOR.

21 (Q) "VERTICALLY INTEGRATED UTILITY" MEANS AN INVESTOR-OWNED
22 ELECTRIC UTILITY WHICH PROVIDES GENERATION, TRANSMISSION, AND
23 DISTRIBUTION SERVICES PRIOR TO RETAIL ACCESS.

24 7-502.

25 A RETAIL CUSTOMER MAY NOT PURCHASE ELECTRICITY DIRECTLY FROM A
26 RETAIL ELECTRIC SERVICE PROVIDER OTHER THAN THE ELECTRIC COMPANY THAT
27 SUPPLIED THE REGULATED SERVICE TERRITORY WHERE THE CUSTOMER IS
28 LOCATED UNLESS:

29 (1) THE COMMISSION DETERMINES IN A WRITTEN ORDER THAT ALL OF
30 THE FOLLOWING CONDITIONS EXIST:

31 (I) SUFFICIENT LOCAL, REGIONAL, AND NATIONAL RELIABILITY
32 ORGANIZATIONS AND SYSTEMS ARE IN EXISTENCE AND FUNCTIONING TO ENSURE
33 THAT RELIABILITY MEASURES ARE IN PLACE FOR ALL FACILITIES;

34 (II) CONTROL SYSTEMS NECESSARY FOR OPERATING AN
35 INTERCONNECTED TRANSMISSION GRID IN A COMPETITIVE GENERATION MARKET;
36 AND

1 (III) AN INDEPENDENT MEANS TO OPERATE AND MANAGE FOR
2 RELIABILITY PURPOSES THE BULK POWER SYSTEM ON A REGIONAL BASIS; AND

3 (2) LEGISLATION HAS BEEN ENACTED TO ADDRESS THE STATE AND
4 LOCAL TAX IMPLICATIONS OF THE RESTRUCTURING OF THE ELECTRIC INDUSTRY;

5 (3) THE COMMISSION HAS DETERMINED THAT ALL CUSTOMER CLASSES
6 WILL OBTAIN ECONOMIC BENEFITS FROM ELECTRIC RESTRUCTURING; AND

7 (4) THE COMMISSION HAS ADOPTED REGULATIONS UNDER §§ 7-504,
8 7-505, 7-508, 7-509, AND 7-513 OF THIS SUBTITLE.

9 7-503.

10 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
11 INDICATED.

12 (2) "MUNICIPAL ELECTRIC COMPANY" MEANS A MUNICIPAL
13 CORPORATION THAT IS IN THE BUSINESS OF SUPPLYING ELECTRICITY FOR OTHER
14 THAN MUNICIPAL PURPOSES.

15 (3) "RURAL ELECTRIC COOPERATIVE" MEANS AN ELECTRIC COMPANY
16 THAT:

17 (I) SERVES ONLY THE CONSUMERS THAT EXCLUSIVELY OWN AND
18 CONTROL THE COMPANY; AND

19 (II) CONDUCTS ITS BUSINESS ON A NOT-FOR-PROFIT BASIS.

20 (B) A MUNICIPAL ELECTRIC COMPANY OR A RURAL ELECTRIC COOPERATIVE
21 MAY NOT BE REQUIRED TO MAKE AVAILABLE ITS SERVICE TERRITORY TO RETAIL
22 COMPETITION UNLESS IT ELECTS TO DO SO.

23 (C) A MUNICIPAL ELECTRIC COMPANY OR RURAL ELECTRIC COOPERATIVE
24 THAT DOES NOT ELECT TO ALLOW RETAIL ACCESS MAY NOT MARKET OR SELL
25 ELECTRICITY TO CUSTOMERS OUTSIDE ITS SERVICE TERRITORY.

26 (D) IF A MUNICIPAL ELECTRIC COMPANY OR RURAL ELECTRIC COOPERATIVE
27 ELECTS TO ALLOW RETAIL ACCESS:

28 (1) ANY RETAIL ELECTRIC SERVICE PROVIDER LICENSED UNDER § 7-504
29 OF THIS SUBTITLE MAY SERVE THE CUSTOMERS WITHIN THE SERVICE TERRITORY
30 OF THE ELECTING MUNICIPAL ELECTRIC COMPANY OR RURAL ELECTRIC
31 COOPERATIVE AS OF THE DATE OF THE ELECTION; AND

32 (2) THE MUNICIPAL ELECTRIC COMPANY OR RURAL ELECTRIC
33 COOPERATIVE MAY MARKET AND SELL ELECTRICITY TO ANY RETAIL ELECTRIC
34 CUSTOMER IN THE STATE SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE.

1 (E) A MUNICIPAL ELECTRIC COMPANY OR RURAL ELECTRIC COOPERATIVE
2 MAY NOT ELECT TO OPEN ITS SERVICE TERRITORY TO RETAIL COMPETITION UNTIL
3 RETAIL ACCESS COMMENCES UNDER § 7-502 OF THIS SUBTITLE.

4 7-504.

5 (A) THIS SECTION DOES NOT APPLY TO:

6 (1) AN ELECTRIC COMPANY;

7 (2) AN ELECTRIC DISTRIBUTION UTILITY; OR

8 (3) AN AUTHORIZED BUYERS AGGREGATOR UNDER § 7-510 OF THIS
9 SUBTITLE.

10 (B) A PERSON MAY NOT CONDUCT THE FOLLOWING ACTIVITIES WITHOUT A
11 VALID LICENSE FROM THE COMMISSION AS A RETAIL ELECTRIC SERVICE PROVIDER:

12 (1) SELLING, MARKETING, OR BROKERING ELECTRICITY;

13 (2) AGGREGATING CUSTOMERS IN THE SALE, MARKETING, OR
14 BROKERING OF ELECTRICITY; OR

15 (3) PROVIDING ANY OTHER SERVICE RENDERED ONLY BY AN ELECTRIC
16 COMPANY PRIOR TO THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF
17 THIS SUBTITLE.

18 (C) TO BECOME A LICENSED RETAIL ELECTRIC SERVICE PROVIDER, A PERSON
19 SHALL:

20 (1) FILE AN APPLICATION WITH THE COMMISSION;

21 (2) CERTIFY TO THE COMMISSION THAT THE PERSON IS IN COMPLIANCE
22 WITH ALL APPLICABLE FEDERAL AND STATE ENVIRONMENTAL LAWS AND
23 REGULATIONS, INCLUDING THE REQUIREMENTS OF § 7-516 OF THIS SUBTITLE;

24 (3) PAY AN APPLICATION FEE DETERMINED BY THE COMMISSION; AND

25 (4) MEET ANY BONDING, FINANCIAL, AND INSURANCE REQUIREMENTS
26 THAT THE COMMISSION MAY ESTABLISH.

27 (D) BEFORE ISSUING A LICENSE, THE COMMISSION SHALL DETERMINE THAT:

28 (1) THE APPLICANT HAS THE TECHNICAL, MANAGERIAL, AND
29 FINANCIAL CAPABILITY TO PROVIDE ENERGY SERVICES IN THE STATE;

30 (2) THE APPLICANT AND ANY ENTITY FROM WHICH THE APPLICANT
31 WILL PURCHASE POWER IS IN COMPLIANCE WITH ALL OF THE APPLICABLE
32 REQUIREMENTS OF THE FEDERAL ENERGY REGULATORY COMMISSION AND THE
33 OPERATOR OF THE REGIONAL TRANSMISSION SYSTEM; AND

1 (3) ANY OTHER REASONABLE REQUIREMENTS WHICH THE COMMISSION
2 DETERMINES ARE IN THE PUBLIC INTEREST.

3 (E) THE COMMISSION MAY ISSUE OR DENY A LICENSE. IF A LICENSE IS
4 DENIED, THE COMMISSION SHALL PROVIDE IN WRITING THE GROUNDS FOR DENIAL.

5 (F) AFTER NOTICE AND HEARING, THE COMMISSION MAY SUSPEND OR
6 REVOKE A LICENSE ISSUED UNDER THIS SECTION, ISSUE A CEASE AND DESIST
7 ORDER, IMPOSE A FINE OF UP TO \$10,000 PER VIOLATION PER DAY, AND ISSUE AN
8 ORDER REQUIRING A REFUND OR A CREDIT TO A CUSTOMER IN AN AMOUNT
9 DETERMINED BY THE COMMISSION IF THE RETAIL ELECTRIC SERVICE PROVIDER:

10 (1) VIOLATES A REQUIREMENT OF THIS ARTICLE OR ANY REGULATION
11 OR ORDER OF THE COMMISSION;

12 (2) IS FOUND BY THE COMMISSION TO HAVE PROVIDED A FALSE
13 CERTIFICATION UNDER SUBSECTION (B)(2) OF THIS SECTION;

14 (3) VIOLATES ANY CONSUMER PROTECTION LAW OR REGULATION IN
15 THE STATE, INCLUDING TITLES 13 AND 14 OF THE COMMERCIAL LAW ARTICLE, TITLE
16 14 OF THE BUSINESS REGULATION ARTICLE, AND ARTICLE 27, § 233D; OR

17 (4) HAS HAD ITS AUTHORITY TO ENGAGE IN PROVIDING ELECTRIC
18 SERVICES REVOKED OR SUSPENDED BY ANY OTHER STATE OR FEDERAL UNIT FOR
19 REASONS CONSISTENT WITH THIS SECTION.

20 (G) A LICENSE MAY NOT BE TRANSFERRED WITHOUT THE PRIOR APPROVAL
21 OF THE COMMISSION.

22 (H) THE COMMISSION MAY TEMPORARILY SUSPEND A LICENSE, PENDING A
23 FINAL DETERMINATION AFTER NOTICE AND HEARING, IF THE COMMISSION
24 DETERMINES THAT THERE IS PROBABLE CAUSE TO BELIEVE THAT CONSUMERS OR
25 THE RELIABILITY OF THE ELECTRIC SUPPLY IN THE STATE WILL BE HARMED BY THE
26 ACTIONS OF THE LICENSEE.

27 (I) THE PEOPLE'S COUNSEL SHALL HAVE THE SAME AUTHORITY IN
28 LICENSING AND COMPLAINT PROCEEDINGS INVOLVING APPLICANTS AND RETAIL
29 ELECTRIC SERVICE PROVIDERS AS IS PROVIDED IN TITLE 2 OF THIS ARTICLE.

30 (J) BEFORE THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF THIS
31 SUBTITLE, THE COMMISSION SHALL ADOPT REGULATIONS TO:

32 (1) DETERMINE THE FORM OF APPLICATION, AMOUNT OF APPLICATION
33 FEE, AND THE INFORMATION REQUIRED TO BE SUBMITTED WITH AN APPLICATION
34 UNDER THIS SECTION;

35 (2) DETERMINE FINANCIAL CAPABILITY REQUIREMENTS, INCLUDING
36 INSURANCE AND BONDING REQUIREMENTS;

1 (3) ESTABLISH PROCEDURES FOR THE FILING AND RESOLUTION OF
2 COMPLAINTS AGAINST RETAIL ELECTRIC SERVICE PROVIDERS; AND

3 (4) ESTABLISH THE DURATION OF A LICENSE ISSUED UNDER THIS
4 SECTION, PROCEDURES AND REQUIREMENTS FOR LICENSE RENEWAL, AND
5 PROVISIONS REGARDING THE SURRENDER AND LAPSE OF A LICENSE.

6 7-505.

7 (A) A RETAIL ELECTRIC SERVICE PROVIDER MAY NOT, WITHOUT THE RETAIL
8 CUSTOMER'S WRITTEN CONSENT:

9 (1) DISCLOSE INFORMATION REGARDING A RETAIL CUSTOMER,
10 INCLUDING:

11 (I) PERSONAL INFORMATION AS DEFINED IN § 10-611(F)(1) OF THE
12 STATE GOVERNMENT ARTICLE; AND

13 (II) INFORMATION REGARDING BILLING, PAYMENT AND CREDIT,
14 AND ELECTRICITY USAGE;

15 (2) USE INFORMATION REGARDING A RETAIL ELECTRIC CUSTOMER FOR
16 ANY PURPOSE OTHER THAN THE PURPOSE FOR WHICH THE INFORMATION WAS
17 ORIGINALLY ACQUIRED;

18 (3) CHANGE A RETAIL CUSTOMER'S RETAIL ELECTRIC SERVICE
19 PROVIDER; OR

20 (4) ADD SERVICES OR NEW CHARGES TO A RETAIL CUSTOMER'S
21 EXISTING RETAIL ELECTRIC SERVICE OPTIONS.

22 (B) (1) A RETAIL ELECTRIC CUSTOMER WHO CONSENTS TO DISCLOSURE OF
23 INFORMATION UNDER SUBSECTION (A)(1) OF THIS SECTION MAY WITHDRAW
24 CONSENT BY NOTIFYING THE RETAIL ELECTRIC SERVICE PROVIDER BY TELEPHONE
25 OR IN WRITING.

26 (2) WITHDRAWAL OF CONSENT UNDER THIS SUBSECTION SHALL BE
27 EFFECTIVE AS SOON AS PRACTICABLE, BUT NO MORE THAN 30 DAYS AFTER THE
28 RETAIL ELECTRIC SERVICE PROVIDER RECEIVES NOTICE OF WITHDRAWAL OF
29 CONSENT.

30 (C) A RETAIL ELECTRIC CUSTOMER MAY, DURING NORMAL BUSINESS HOURS,
31 INSPECT AND CORRECT INFORMATION ABOUT THE CUSTOMER THAT IS UNDER THE
32 CONTROL OF A RETAIL ELECTRIC SERVICE PROVIDER.

33 (D) A RETAIL ELECTRIC SERVICE PROVIDER MAY NOT ENGAGE IN
34 MARKETING, ADVERTISING, OR TRADE PRACTICES THAT ARE UNFAIR, FALSE,
35 MISLEADING, OR DECEPTIVE.

1 (E) BEFORE THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF THIS
2 SUBTITLE, THE COMMISSION SHALL, IN CONSULTATION WITH THE DIVISION OF
3 CONSUMER PROTECTION IN THE OFFICE OF THE ATTORNEY GENERAL, ADOPT
4 REGULATIONS THAT PROVIDE FOR THE FOLLOWING CONSUMER PROTECTIONS:

5 (1) UNIFORM DISCLOSURE REQUIREMENTS OF PRICE, CONTRACT AND
6 PURCHASE TERMS AND CONDITIONS, POWER SOURCE, AND ENVIRONMENTAL AND
7 EMISSIONS INFORMATION;

8 (2) RESTRICTIONS ON TELEMARKETING ACTIVITIES;

9 (3) PROCEDURES FOR CUSTOMER ENROLLMENT, INCLUDING
10 CONTRACTING WITH CUSTOMERS AND THE VOLUNTARY AND INVOLUNTARY
11 SWITCHING OF CUSTOMERS FROM ONE RETAIL ELECTRIC SERVICE PROVIDER TO
12 ANOTHER;

13 (4) REASONABLE REQUIREMENTS AND LIMITATIONS RELATING TO
14 DEPOSITS, BILLING AND COLLECTIONS, AND SERVICE TERMINATIONS;

15 (5) A PROHIBITION ON THE DISCONNECTION OF ELECTRIC SERVICE AT
16 THE CUSTOMER'S PREMISES FOR FAILURE TO PAY A RETAIL ELECTRIC SERVICE
17 PROVIDER OR BUYERS AGGREGATOR BILL; AND

18 (6) PROCEDURES FOR DISPUTE RESOLUTION BY THE COMMISSION OF
19 CONSUMER COMPLAINTS.

20 (F) CUSTOMERS DAMAGED BY A VIOLATION OF THIS SUBTITLE OR THE
21 REGULATIONS ADOPTED UNDER THIS SUBTITLE MAY:

22 (1) SEEK FROM THE COMMISSION REGULATORY SANCTIONS AGAINST
23 THE SERVICE PROVIDER, INCLUDING:

24 (I) REFUND;

25 (II) CREDIT;

26 (III) WHOLE OR PARTIAL CANCELLATION OF A CONTRACT OR
27 SERVICE;

28 (IV) LICENSE SUSPENSION OR REVOCATION; AND

29 (V) FINES; AND

30 (2) APPEAL THE COMMISSION'S DECISION UNDER SUBSECTION (B) OF
31 THIS SECTION TO THE CIRCUIT COURT OF THE JURISDICTION IN WHICH THE
32 ALLEGED VIOLATION OCCURRED.

33 (G) THE OFFICE OF PEOPLE'S COUNSEL MAY REPRESENT ELECTRIC COMPANY
34 CUSTOMERS BEFORE THE COMMISSION AND THE COURT.

1 (H) THE COMMISSION MAY CONSIDER PROVIDER ACTIONS RESTRICTED OR
2 PROHIBITED BY TITLES 13 AND 14 OF THE COMMERCIAL LAW ARTICLE IN
3 ADDRESSING INDIVIDUAL CUSTOMER COMPLAINTS.

4 (I) THE RIGHTS, REMEDIES, AND PENALTIES ESTABLISHED IN THIS SECTION
5 SUPPLEMENT THE RIGHTS, REMEDIES, OR PENALTIES UNDER ANY OTHER STATE OR
6 FEDERAL LAW, INCLUDING COMMON LAW.

7 (J) THE COMMISSION SHALL COOPERATE WITH THE ATTORNEY GENERAL IN
8 ENFORCEMENT OF ALL APPLICABLE CONSUMER PROTECTION LAWS AND MAY
9 PROVIDE ANY AND ALL INFORMATION IN ITS POSSESSION TO THE ATTORNEY
10 GENERAL RELATING TO ENFORCEMENT OF THIS SUBTITLE.

11 7-506.

12 A RETAIL ELECTRIC SERVICE PROVIDER MAY NOT DISCRIMINATE AGAINST A
13 POTENTIAL PURCHASER OF ELECTRICITY ON THE BASIS OF RACE, CREED, SEX, AGE,
14 COLOR, NATIONAL ORIGIN, MARITAL STATUS, OR PHYSICAL OR MENTAL HANDICAP
15 WHEN TAKING AN ACTION GOVERNED BY THIS SUBTITLE.

16 7-507.

17 A RETAIL ELECTRIC SERVICE PROVIDER MAY NOT APPLY DIFFERENT
18 STANDARDS TO, OR DISCRIMINATE IN TERMS OF CONDITIONS OF ITS SERVICES
19 AGAINST, SIMILARLY SITUATED CUSTOMERS BASED ON THE PERCEIVED ECONOMIC
20 CHARACTER OR THE PERCEIVED COLLECTIVE CREDIT REPUTATION OF THE
21 CUSTOMERS' AREA OF RESIDENCE OR BUSINESS LOCATION.

22 7-508.

23 (A) (1) IN ADDITION TO THE DISCLOSURE REQUIREMENTS ADOPTED UNDER
24 § 7-505(B)(1) OF THIS SUBTITLE, THE COMMISSION SHALL REQUIRE EACH BILL FOR
25 RETAIL ELECTRIC SERVICE PROVIDER SERVICES SUBMITTED TO ANY END-USE
26 RESIDENTIAL CUSTOMER TO INCLUDE, IN A FORMAT APPROVED BY THE
27 COMMISSION, ALL INFORMATION WHICH THE COMMISSION DETERMINES IS
28 NECESSARY.

29 (2) THE INFORMATION MUST BE SUFFICIENT FOR CONSUMERS TO
30 IDENTIFY AND CONTACT THE RETAIL ELECTRIC SERVICE PROVIDER OF EACH
31 SERVICE, TO COMPARE PRICES, TERMS OF SERVICE, AND POWER SOURCE.

32 (B) IF AN ELECTRIC DISTRIBUTION UTILITY OR OTHER PERSON PROVIDES
33 BILLING SERVICES FOR A RETAIL ELECTRIC SERVICE PROVIDER, IT SHALL COMPLY
34 WITH THE STANDARD BILLING REQUIREMENTS REQUIRED FOR RETAIL ELECTRIC
35 SERVICE PROVIDERS THAT BILL RESIDENTIAL CUSTOMERS DIRECTLY.

36 (C) EACH BILL FOR ELECTRIC DISTRIBUTION UTILITY SERVICES, WHETHER
37 SUBMITTED TO AN END-USE RESIDENTIAL CUSTOMER DIRECTLY OR THROUGH
38 ANOTHER PERSON, SHALL, IN A FORMAT APPROVED BY THE COMMISSION, INCLUDE

1 ALL INFORMATION WHICH THE COMMISSION DETERMINES IS NECESSARY AND
2 SUFFICIENT FOR:

3 (1) CONSUMERS TO UNDERSTAND THE QUANTITY AND PRICE OF ALL
4 SERVICES BILLED FOR;

5 (2) CONSUMERS TO IDENTIFY AND CONTACT THE PROVIDERS OF ALL
6 SERVICES BILLED FOR, INCLUDING THE BILLING SERVICE;

7 (3) PROVIDING THE CONSUMER INFORMATION ON HOW TO CONTACT
8 THE COMMISSION WITH A COMPLAINT; AND

9 (4) CONSUMERS TO UNDERSTAND WHETHER THE RETAIL ELECTRIC
10 SERVICE PROVIDER IS IN COMPLIANCE WITH STATUTORY AND REGULATORY
11 BILLING REQUIREMENTS FOR A RETAIL ELECTRIC SERVICE PROVIDER.

12 (D) THE COMMISSION SHALL ADOPT REGULATIONS CONSISTENT WITH THIS
13 SECTION BEFORE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF THIS
14 SUBTITLE.

15 7-509.

16 (A) EVERY ELECTRIC DISTRIBUTION UTILITY SHALL ARRANGE FOR THE
17 PROVISION OF BASIC ELECTRIC SERVICE FOR RESIDENTIAL AND SMALL
18 COMMERCIAL CUSTOMERS WHO:

19 (1) CHOOSE THE BASIC SERVICE OPTION;

20 (2) ARE NOT YET ELIGIBLE FOR OR WHO HAVE NOT BEEN OFFERED
21 SERVICE BY AN ENERGY SERVICE PROVIDER OR BUYERS AGGREGATOR; OR

22 (3) HAVE BEEN REFUSED OR DENIED SERVICE BY A RETAIL ELECTRIC
23 SERVICE PROVIDER.

24 (B) BEFORE THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF THIS
25 SUBTITLE, THE COMMISSION SHALL ADOPT REGULATIONS TO DETERMINE THE
26 MANNER, TERMS, AND CONDITIONS UNDER WHICH BASIC ELECTRIC SERVICE SHALL
27 BE PROVIDED TO CUSTOMERS, CONSISTENT WITH THE FOLLOWING PRINCIPLES:

28 (1) THE ELECTRIC DISTRIBUTION COMPANY SHALL ACQUIRE THE
29 ENERGY SUPPLY TO PROVIDE BASIC ELECTRIC SERVICE THROUGH A BID PROCESS,
30 PURCHASE FROM THE WHOLESALE MARKET OR OTHER MARKET-BASED METHOD
31 DETERMINED BY THE COMMISSION UNDER PROCEDURES ESTABLISHED BY THE
32 COMMISSION THAT ARE DESIGNED TO ENSURE THE LOWEST PRICED AND HIGHEST
33 QUALITY BASIC SERVICE;

34 (2) THE PRICE CHARGED TO THE CUSTOMER FOR ENERGY SUPPLY MUST
35 BE THE PRICE PAID BY THE ELECTRIC DISTRIBUTION UTILITY FOR THE ENERGY
36 SUPPLY;

1 (3) BASIC ELECTRIC SERVICE MUST INCLUDE ALL SERVICES, PROVIDED
2 DIRECTLY OR THROUGH THE MARKET, WHICH WERE PROVIDED TO RESIDENTIAL
3 AND SMALL COMMERCIAL CUSTOMERS BEFORE RETAIL ACCESS COMMENCES;

4 (4) WHEN RETAIL ACCESS COMMENCES UNDER § 7-502 OF THIS
5 SUBTITLE, THE TOTAL RETAIL PRICE TO CUSTOMERS FOR BASIC SERVICE,
6 INCLUDING ANY CHARGES OR SURCHARGES, SHALL:

7 (I) NOT EXCEED THE COST OF SERVICE REGULATED RATES PER
8 CUSTOMER CLASS FOR THOSE SERVICES ON A BUNDLED BASIS BEFORE RETAIL
9 ACCESS; AND

10 (II) REMAIN CAPPED AT THAT PRICE FOR A PERIOD OF 4 YEARS
11 AFTER ALL CUSTOMERS HAVE RETAIL ACCESS;

12 (5) THE ELECTRIC DISTRIBUTION UTILITY MUST BID OUT OR
13 OTHERWISE PROCURE THE ENERGY SUPPLY COMPONENT OF BASIC SERVICE ON A
14 PERIODIC SCHEDULE TO BE ESTABLISHED BY THE COMMISSION;

15 (6) THE COMMISSION SHALL REVIEW THE DISTRIBUTION UTILITY'S
16 PROVISION OF THE ENERGY SUPPLY COMPONENT OF BASIC SERVICE FOR
17 REASONABLENESS;

18 (7) THE ENERGY SUPPLY COMPONENT OF BASIC SERVICE MAY BE
19 PROVIDED BY MORE THAN ONE SUPPLIER;

20 (8) THE BASIC SERVICE PROVIDER MAY NOT IMPOSE ANY NEW
21 ADMINISTRATIVE OR FIXED FEE ASSOCIATED WITH INITIATING OR RECEIVING BASIC
22 SERVICE, EXCEPT THAT THE COMMISSION MAY AUTHORIZE A FEE FOR ANY
23 CUSTOMER WHO REQUESTS BASIC SERVICE MORE THAN ONCE IN ANY 12-MONTH
24 PERIOD, OTHER THAN A LOW-INCOME CUSTOMER OR A CUSTOMER DENIED OR
25 REFUSED SERVICE BY A RETAIL ELECTRIC SERVICE PROVIDER; AND

26 (9) THE COMMISSION SHALL, AFTER RECEIVING ADVICE FROM THE
27 LOW-INCOME ENERGY ASSISTANCE BOARD, ADDRESS BY REGULATION RATE
28 DESIGN, CREDIT, COLLECTION, AND DISCONNECTION PRACTICES.

29 (C) THE COMMISSION MAY TERMINATE AN ELECTRIC DISTRIBUTION
30 UTILITY'S OBLIGATION TO PROVIDE BASIC SERVICE, IF REQUESTED BY THE
31 DISTRIBUTION UTILITY, ONLY IF THE COMMISSION DETERMINES THAT:

32 (1) THE MARKET FOR GENERATION SERVICES AND ENERGY SUPPLY FOR
33 RESIDENTIAL CUSTOMERS IS FULLY COMPETITIVE; AND

34 (2) ALTERNATIVE MECHANISMS ARE IN PLACE TO SERVE BASIC
35 SERVICE CUSTOMERS EFFICIENTLY.

1 7-510.

2 (A) A RETAIL ELECTRIC SERVICE PROVIDER OR A PROVIDER OF BASIC
3 SERVICE MAY NOT DISCRIMINATE AGAINST A BUYERS AGGREGATOR IN ANY TERMS
4 OR CONDITIONS OF SALE.

5 (B) (1) A COUNTY MAY, WITHIN 6 MONTHS AFTER COMMENCEMENT OF
6 RETAIL ACCESS UNDER § 7-502 OF THIS SUBTITLE, CHOOSE TO ACT AS A BUYERS
7 AGGREGATOR IN ANY OR ALL OF THE CAPACITIES LISTED IN SUBSECTION (C) OF THIS
8 SECTION.

9 (2) IF, WITHIN 6 MONTHS AFTER COMMENCEMENT OF RETAIL ACCESS
10 UNDER § 7-502 OF THIS SUBTITLE, A COUNTY HAS NOT CHOSEN TO ACT AS A BUYERS
11 AGGREGATOR, A MUNICIPAL CORPORATION, AS DEFINED IN ARTICLE 23A, § 9 OF THE
12 CODE, WITHIN THE COUNTY, MAY ACT AS A BUYERS AGGREGATOR IN ANY OR ALL OF
13 THE CAPACITIES LISTED IN SUBSECTION (C) OF THIS SECTION.

14 (3) (I) IF, WITHIN 1 YEAR AFTER COMMENCEMENT OF RETAIL ACCESS
15 UNDER § 7-502 OF THIS SUBTITLE, A MUNICIPAL CORPORATION HAS NOT CHOSEN TO
16 ACT AS A BUYERS AGGREGATOR, ANY OTHER LEGALLY AUTHORIZED PERSON MAY
17 ACT AS A BUYERS AGGREGATOR IN ANY OR ALL OF THE CAPACITIES LISTED IN
18 SUBSECTION (C) OF THIS SECTION, UNLESS DISAPPROVED BY THE COMMISSION.

19 (II) A BUYERS GROUP, LOW-INCOME GROUP, NON-PROFIT
20 ORGANIZATION, AFFINITY GROUP, OR OTHER GROUP MAY ACT AS A BUYERS
21 AGGREGATOR UNDER THIS PARAGRAPH.

22 (III) THE COMMISSION MAY DISAPPROVE A PERSON'S CHOICE TO
23 ACT AS A BUYERS AGGREGATOR UNDER THIS PARAGRAPH IF IT DETERMINES THAT
24 THE AUTHORIZED ENTITY IS FINANCIALLY UNABLE TO ACT IN THE CAPACITY OF A
25 BUYERS AGGREGATOR.

26 (C) A COUNTY, MUNICIPAL CORPORATION, OR PERSON AUTHORIZED UNDER
27 SUBSECTION (B) OF THIS SECTION MAY ACT AS A BUYERS AGGREGATOR IN THE
28 FOLLOWING CAPACITIES:

29 (1) FOR ALL ELECTRIC LOADS FOR MUNICIPAL PURPOSES, INCLUDING
30 THE RIGHT TO HAVE THE ELECTRIC SERVICE DELIVERED TO ONE PHYSICAL
31 DELIVERY POINT ON THE DISTRIBUTION SYSTEM WITHIN THE MUNICIPAL BORDERS
32 AND AT THE SAME TERMS AND CONDITIONS AS ANY CUSTOMER OF A DISTRIBUTION
33 UTILITY OF SIMILAR SIZE;

34 (2) AS AN AGGREGATOR FOR THE PURCHASE OF ELECTRIC ENERGY FOR
35 CUSTOMERS THAT SELECT THE MUNICIPAL CORPORATION OR COUNTY AS THEIR
36 AGGREGATOR;

37 (3) AS THE DEFAULT AGGREGATOR FOR ALL CUSTOMERS IN THE
38 MUNICIPAL CORPORATION OR COUNTY, OR A DESIGNATED PORTION OF THE
39 JURISDICTION, PROVIDED IF THE MUNICIPAL CORPORATION OR COUNTY HAS
40 ENACTED LEGISLATION TO AUTHORIZE IT TO ACT AS A DEFAULT AGGREGATOR.

1 AFTER ENACTMENT OF THE LEGISLATION, ALL CUSTOMERS RECEIVING ELECTRIC
2 SERVICE IN THE MUNICIPAL CORPORATION OR COUNTY OR THE DESIGNATED
3 PORTION (OF THE JURISDICTION), WHO HAVE NOT AFFIRMATIVELY SELECTED AN
4 ENERGY SERVICE PROVIDER, OR THOSE PLACED ON BASIC SERVICE BECAUSE OF A
5 FAILURE TO SELECT AN ENERGY SERVICE PROVIDER, WILL BECOME PART OF THE
6 AGGREGATED CUSTOMERS OF THE MUNICIPAL CORPORATION OR COUNTY;

7 (4) AS THE BASIC SERVICE PROVIDER FOR CUSTOMERS IN THE
8 MUNICIPAL CORPORATION OR COUNTY, OR THE DESIGNATED PORTION (OF THE
9 JURISDICTION); AND

10 (5) AS THE DISTRIBUTION UTILITY IN THE MUNICIPAL CORPORATION
11 OR COUNTY OR DESIGNATED PORTION, IF THE MUNICIPAL CORPORATION OR
12 COUNTY HAS ACQUIRED AN ELECTRIC DISTRIBUTION SYSTEM TO SERVE THE
13 AGGREGATED CUSTOMERS EITHER BY CONSTRUCTING A NEW DISTRIBUTION
14 SYSTEM OR BY ACQUIRING THE EXISTING DISTRIBUTION SYSTEM FROM ITS OWNER
15 FOR JUST COMPENSATION WHICH MEANS THE UNAMORTIZED BALANCE AS SHOWN
16 ON THE REGULATORY BOOKS OF ACCOUNT.

17 (D) A COUNTY OR MUNICIPAL CORPORATION OR DESIGNATED PORTION OF A
18 JURISDICTION MAY NOT ACT AS AGGREGATOR IN ANY OF THE CAPACITIES LISTED IN
19 SUBSECTION (C) OF THIS SECTION IF AN EXISTING MUNICIPAL CORPORATION OR
20 COUNTY OR RURAL ELECTRIC COOPERATIVE FOR THE MUNICIPAL CORPORATION OR
21 COUNTY ALREADY SERVES AS A BUYERS AGGREGATOR OR ELECTRIC SUPPLIER FOR
22 THE COUNTY OR MUNICIPAL CORPORATION, OR A DESIGNATED PORTION (OF THE
23 JURISDICTION).

24 (E) ANY COUNTY, MUNICIPAL CORPORATION, OR OTHER AGGREGATOR
25 AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION:

26 (1) SHALL ESTABLISH THE RATE, TERM, AND CONDITIONS FOR
27 PARTICIPATION IN THE AGGREGATION OF CUSTOMERS UNDER THIS SECTION; AND

28 (2) MAY CREATE A MUNICIPAL ENERGY CORPORATION OR OTHER
29 ENTITY TO ACT UNDER THE AUTHORITY OF THE MUNICIPAL CORPORATION OR
30 COUNTY GOVERNMENT TO UNDERTAKE ANY OF THE ACTIONS AUTHORIZED BY THIS
31 SECTION.

32 (F) A BUYERS AGGREGATOR IS NOT A RETAIL ELECTRIC SERVICE PROVIDER
33 AND MAY NOT ACT AS ONE.

34 (G) DURING THE FIRST YEAR OF RESIDENTIAL RETAIL ACCESS, ONLY
35 ENTITIES LISTED IN SUBSECTION (C) OF THIS SECTION MAY APPLY TO BECOME
36 BUYERS AGGREGATORS.

37 (H) THE COMMISSION:

38 (1) SHALL ESTABLISH REQUIREMENTS FOR ENTITIES TO QUALIFY AS A
39 BUYERS AGGREGATOR, INCLUDING COMPETENCE, DISCLOSURE, CONTRACT,
40 OPT-OUT, AGENCY, AND AUTHORIZATION REQUIREMENTS;

1 (2) SHALL ESTABLISH REASONABLE CONSUMER PROTECTION
2 REQUIREMENTS FOR RESIDENTIAL CUSTOMERS WHO USE BUYERS AGGREGATORS;

3 (3) SHALL ASSIST GROUPS THAT WISH TO BECOME BUYERS
4 AGGREGATORS OR THAT ARE BUYERS AGGREGATORS TO UNDERSTAND THE
5 TECHNICAL AND ECONOMIC ISSUES IN BUYING ELECTRIC SUPPLY IN A COMPETITIVE
6 MARKET;

7 (4) SHALL ESTABLISH REASONABLE REQUIREMENTS FOR ELECTRIC
8 DISTRIBUTION UTILITIES, BASIC SERVICE PROVIDERS, AND RETAIL ELECTRIC
9 SERVICE PROVIDERS TO SHARE LOAD PROFILE, DEMAND, CONSUMPTION, AND
10 OTHER RELEVANT DATA WITH QUALIFIED BUYERS AGGREGATORS;

11 (5) MAY ADOPT ANY REASONABLE REGULATIONS RELATING TO BUYERS
12 AGGREGATORS THAT IT DETERMINES TO BE IN THE PUBLIC INTEREST; AND

13 (6) MAY NOT WITHHOLD APPROVAL OF A BUYERS AGGREGATOR UNDER
14 THIS SECTION UNLESS APPROVAL WOULD AFFECT THE SAFETY OR RELIABILITY OF
15 THE ELECTRIC SYSTEM EITHER IN OR OUTSIDE OF THE COUNTY OR MUNICIPAL
16 CORPORATION.

17 7-511.

18 (A) (1) THERE IS A PUBLIC BENEFITS FUND.

19 (2) THE PURPOSE OF THE PUBLIC BENEFITS FUND IS TO PROVIDE
20 FUNDING FOR THE DEVELOPMENT OF RENEWABLE ENERGY RESOURCES, ENERGY
21 EFFICIENCY PROGRAMS, UNIVERSAL SERVICE PROGRAMS, AND ASSISTANCE FOR
22 SMALL CUSTOMERS TO FORM BUYERS AGGREGATORS.

23 (3) ALL RATEPAYERS SHALL CONTRIBUTE TO THE PUBLIC BENEFITS
24 FUND THROUGH A NON-BYPASSABLE PUBLIC BENEFITS CHARGE ASSESSED ON
25 KILOWATT-HOURS DELIVERED.

26 (4) AN ELECTRIC DISTRIBUTION UTILITY OR ITS BILLING AGENT SHALL
27 COLLECT THE PUBLIC BENEFITS CHARGES AND REMIT THEM AS FOLLOWS:

28 (I) 0.015 CENTS ON EACH KILOWATT-HOUR OF ELECTRICITY
29 DELIVERED IN THE STATE REMITTED TO THE COMPTROLLER TO BE PLACED IN THE
30 ENVIRONMENTAL TRUST FUND UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL
31 RESOURCES ARTICLE; AND

32 (II) 0.3 CENTS ON EACH KILOWATT-HOUR OF ELECTRICITY
33 DELIVERED IN THE STATE TO THE MARYLAND ENERGY ADMINISTRATION TO BE
34 PLACED IN THE PUBLIC BENEFITS FUND.

35 (5) THE COMPTROLLER SHALL RECEIVE, PRUDENTLY INVEST, AND
36 ACCOUNT FOR ALL FUNDS PLACED IN THE PUBLIC BENEFITS FUND.

37 (6) THE PUBLIC BENEFITS FUND SHALL BE USED AS FOLLOWS:

- 1 (I) A MINIMUM OF 5% FOR RENEWABLE ENERGY PROGRAMS;
- 2 (II) A MINIMUM OF 30% FOR ENERGY EFFICIENCY PROGRAMS;
- 3 (III) A MINIMUM OF 40% FOR LOW-INCOME PROGRAMS;
- 4 (IV) FOR A PERIOD OF THREE YEARS AFTER THE COMMENCEMENT
5 OF RETAIL ACCESS, UP TO \$500,000 ANNUALLY FOR SERVICES TO ASSIST SMALL
6 CUSTOMERS IN AGGREGATION; AND
- 7 (V) ANY REMAINING FUNDS SHALL BE TARGETED FIRST TO
8 LOW-INCOME PROGRAMS ON A NEEDS BASIS AND THEN TO ENERGY EFFICIENCY
9 AND RENEWABLE ENERGY PROGRAMS.

10 (B) (1) THE DIRECTOR OF THE MARYLAND ENERGY ASSISTANCE PROGRAM,
11 AS DESCRIBED IN COMAR 07.06.06, SHALL DEVELOP A UNIVERSAL SERVICE PROGRAM
12 THAT:

13 (I) PROVIDES FOR A REDUCTION OF ELECTRIC COSTS TO
14 AFFORDABLE LEVELS FOR ELIGIBLE LOW-INCOME CUSTOMERS, TAKING INTO
15 ACCOUNT THE ELIGIBLE CUSTOMERS' INCOME, ELECTRICITY USAGE AND
16 REASONABLE PAYMENT BURDEN, AND THE DESIRE TO REDUCE PREEXISTING
17 ARREARAGES; AND

18 (II) PROVIDES FUNDING FOR ENERGY EFFICIENCY MEASURES FOR
19 ELIGIBLE LOW-INCOME CUSTOMERS.

20 (2) ALL ELECTRICITY CUSTOMERS WITH HOUSEHOLD INCOMES AT OR
21 BELOW 150% OF THE FEDERAL POVERTY LEVEL, IN THE GUIDELINES FOR THE 48
22 CONTIGUOUS STATES PUBLISHED BY THE FEDERAL DEPARTMENT OF HEALTH AND
23 HUMAN SERVICES, SHALL BE ELIGIBLE TO PARTICIPATE IN THE UNIVERSAL SERVICE
24 PROGRAMS.

25 (C) THE MARYLAND ENERGY ADMINISTRATION SHALL DEVELOP:

26 (1) A RENEWABLE ENERGY PROGRAM;

27 (2) AN ENERGY EFFICIENCY PROGRAM; AND

28 (3) A PROGRAM TO ASSIST SMALL CUSTOMERS IN BECOMING BUYERS
29 AGGREGATORS AS AUTHORIZED IN § 7-510 OF THIS SUBTITLE.

30 (D) THE MARYLAND ENERGY ADMINISTRATION SHALL ESTABLISH THE
31 ANNUAL BUDGETS, WITHIN THE LIMITS OF THE ANNUAL FUNDING PROJECTED TO
32 BE AVAILABLE FOR THE PROGRAMS AND WITHIN THE LIMITS SET FORTH IN THIS
33 SECTION, FOR THE FOLLOWING PROGRAMS:

34 (1) RENEWABLE ENERGY PROGRAMS;

35 (2) ENERGY EFFICIENCY PROGRAMS;

1 (3) UNIVERSAL SERVICE PROGRAMS; AND

2 (4) AGGREGATION FOR SMALL CUSTOMERS.

3 (E) ON OR BEFORE NOVEMBER 1, 1999, THE DIRECTOR OF THE MARYLAND
4 ENERGY ASSISTANCE PROGRAM SHALL CONVENE A LOW-INCOME ENERGY
5 ASSISTANCE ADVISORY BOARD. THE BOARD SHALL:

6 (1) ASSIST THE MARYLAND ENERGY ASSISTANCE PROGRAM DIRECTOR
7 IN MATTERS RELATED TO UNIVERSAL SERVICE PROGRAMS, INCLUDING:

8 (I) THE DEVELOPMENT OF A LOW-INCOME NEEDS AND
9 RESOURCES PLAN FOR THE STATE; AND

10 (II) THE ESTABLISHMENT OF POLICY GUIDANCE AND THE
11 DEVELOPMENT OF RECOMMENDATIONS FOR THE DESIGN AND IMPLEMENTATION OF
12 THE RATE AFFORDABILITY AND ENERGY EFFICIENCY PROGRAMS FOR ELIGIBLE
13 LOW-INCOME CUSTOMERS;

14 (2) ADVISE THE COMMISSION UNDER § 7-509 OF THIS SUBTITLE; AND

15 (3) INCLUDE NO MORE THAN NINE INDIVIDUAL MEMBERS, EACH
16 MEMBER HAVING KNOWLEDGE AND EXPERIENCE IN MATTERS RELATED TO
17 UNIVERSAL SERVICE PROGRAMS.

18 7-512.

19 (A) ON OR BEFORE APRIL 1, 2000, AN INVESTOR-OWNED ELECTRIC COMPANY
20 MUST APPLY TO THE COMMISSION FOR A DETERMINATION ON THE RECOVERY OF
21 STRANDED COSTS.

22 (B) BEFORE THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF THIS
23 SUBTITLE, THE COMMISSION SHALL DETERMINE, AFTER NOTICE AND HEARING,
24 WHETHER AN ELECTRIC UTILITY HAS STRANDED COSTS OR BENEFITS.

25 (C) IN MAKING ITS DETERMINATION, THE COMMISSION SHALL APPLY THE
26 FOLLOWING STANDARDS:

27 (1) AN ELECTRIC UTILITY MAY NOT CLAIM OR COLLECT ANY STRANDED
28 COSTS UNLESS IT HAS SUBMITTED ALL OF ITS GENERATION ASSETS, EXCEPT FOR
29 NUCLEAR ASSETS, TO A PUBLIC AUCTION HELD IN A COMMERCIALY REASONABLE
30 MANNER ON OR BEFORE JULY 1, 2000;

31 (2) THE COMMISSION MAY GRANT AN EXTENSION OF THE DEADLINE IN
32 PARAGRAPH (1) OF THIS SUBSECTION FOR GOOD CAUSE;

33 (3) IN THE CASE OF NON-NUCLEAR GENERATION ASSETS, THE
34 COMMISSION SHALL SET THE MINIMUM ACCEPTABLE SALE PRICE AT THE BOOK
35 VALUE OF THE ASSET, AS DETERMINED BY THE COMMISSION;

1 (4) IN THE CASE OF NUCLEAR GENERATION ASSETS, THE COMMISSION
2 SHALL EVALUATE THE MARKET, DETERMINE THE TIMING OF THE AUCTION, AND
3 ESTABLISH A MINIMUM ACCEPTABLE SALE PRICE OF NOT LESS THAN 80% OF BOOK
4 VALUE, AS DETERMINED BY THE COMMISSION;

5 (5) IN THE CASE OF POWER PURCHASE CONTRACTS, INCLUDING PURPA
6 CONTRACTS, THE COMMISSION SHALL APPLY A REBUTTABLE PRESUMPTION THAT
7 THE POWER PURCHASE CONTRACTS SHOULD BE AUCTIONED WITH OTHER
8 GENERATION ASSETS;

9 (6) THE COMMISSION SHALL DETERMINE THE REQUIRED
10 QUALIFICATIONS FOR BIDDERS AND SHALL PREQUALIFY ALL BIDDERS;

11 (7) AN AFFILIATE OR SUBSIDIARY OF THE ELECTRIC UTILITY MAY
12 QUALIFY TO BID ON ASSETS BUT MAY PARTICIPATE IN THE AUCTION ONLY ON A
13 COMPETITIVELY NEUTRAL BASIS; AND

14 (8) THE COMMISSION SHALL USE THE RESULTS OF THE AUCTION
15 PROCESS, ADJUSTED FOR ANY TAX EFFECTS AND OTHER NECESSARY AND
16 APPROPRIATE ADJUSTMENTS, INCLUDING THE TREATMENT OF NUCLEAR ASSETS, TO
17 DETERMINE THE STRANDED COSTS OR BENEFITS RELATING TO GENERATION
18 ASSETS.

19 (D) ANY GENERATING ASSETS NOT SOLD, OTHER THAN NUCLEAR ASSETS,
20 SHALL BE TRANSFERRED AT BOOK VALUE TO AN AFFILIATE OR SUBSIDIARY OF THE
21 ELECTRIC UTILITY. THE COMMISSION MAY DETERMINE THE APPROPRIATE
22 DISPOSITION AND REGULATORY PLAN FOR NUCLEAR ASSETS.

23 (E) THE COMMISSION SHALL REVIEW A SUBSEQUENT SALE, LEASE, DISPOSAL,
24 OR OTHER TRANSACTION ON OR BEFORE JANUARY 1, 2005, RELATING TO
25 GENERATION ASSETS TRANSFERRED TO AN AFFILIATE OR SUBSIDIARY UNDER
26 SUBSECTION (D) OF THIS SECTION TO MAKE THE FOLLOWING DETERMINATIONS:

27 (1) WHETHER THE TRANSACTION WAS AT ARM'S LENGTH AND
28 CONDUCTED IN A COMMERCIALY REASONABLE MANNER;

29 (2) WHETHER THE TRANSACTION PRODUCED A STRANDED BENEFIT;
30 AND

31 (3) IF THE TRANSACTION PRODUCED A STRANDED BENEFIT, THE
32 MANNER IN WHICH THE STRANDED BENEFIT WILL BE CREDITED TO THE
33 RATEPAYERS.

34 (F) THE COMMISSION SHALL CALCULATE STRANDED COSTS OR BENEFITS BY:

35 (1) DETERMINING THE VALUE OF RECOVERABLE REGULATORY ASSETS
36 RELATED TO GENERATION;

1 (2) CALCULATING THE DIFFERENCE BETWEEN THE BOOK VALUE, AS
2 DETERMINED BY THE COMMISSION, AND THE MARKET VALUE OF POWER PURCHASE
3 CONTRACTS NOT SOLD; AND

4 (3) COMBINING THE VALUES IN PARAGRAPHS (1) AND (2) OF THIS
5 SUBSECTION WITH THE VALUE DETERMINED UNDER SUBSECTION (C)(8) OF THIS
6 SECTION.

7 (G) THE COMMISSION SHALL DETERMINE THE PROPER METHOD OF
8 RECOVERING NUCLEAR DECOMMISSIONING COSTS, IF ANY, BASED UPON THE
9 DISPOSITION OF NUCLEAR GENERATION ASSETS.

10 (H) IF THE COMMISSION DETERMINES THAT THERE IS POTENTIAL STRANDED
11 COST, THE COMMISSION SHALL DETERMINE THE EXTENT OF PERMITTED RECOVERY
12 BASED ON THE FOLLOWING FACTORS:

13 (1) THE PRUDENCE OF THE ORIGINAL INVESTMENT AND THE
14 PRUDENCE OF THE CONTINUED MANAGEMENT OF THE ASSET;

15 (2) WHETHER THE INVESTMENT WAS MANDATED BY LAW;

16 (3) WHETHER THE AMOUNT AT ISSUE HAS BEEN FULLY VERIFIED AND
17 MINIMIZED;

18 (4) WHETHER THE INVESTMENT CONTINUES TO BE USED AND USEFUL;

19 (5) WHETHER THE LOSS IS ONE OF WHICH INVESTORS CAN BE SAID TO
20 HAVE REASONABLY BORNE THE RISK;

21 (6) WHETHER INVESTORS ALREADY HAVE BEEN COMPENSATED FOR
22 THE RISK;

23 (7) THE FINANCIAL INTEGRITY OF THE ELECTRIC UTILITY; AND

24 (8) THE IMPACT OF STRANDED COST RECOVERY ON THE
25 ESTABLISHMENT OF A COMPETITIVE RETAIL ELECTRIC SUPPLY MARKET.

26 (I) IF THE COMMISSION DETERMINES THAT AN ELECTRIC UTILITY MAY
27 RECOVER STRANDED COSTS OR MUST RETURN STRANDED BENEFITS TO
28 RATEPAYERS, THE COMMISSION MAY UTILIZE A NON-BYPASSABLE,
29 NON-DISCRIMINATORY MECHANISM THAT IS:

30 (1) FAIR TO ALL CUSTOMER CLASSES; AND

31 (2) LIMITED IN DURATION.

32 (J) THE COMMISSION SHALL RECONCILE ANY RECOVERY OF STRANDED
33 COSTS ON A PERIODIC BASIS WITH ACTUAL MARKET CONDITIONS.

34 (K) THE COMMISSION MAY ESTABLISH REASONABLE INCENTIVES FOR THE
35 REDUCTION OF ANY AUTHORIZED RECOVERY OF STRANDED COSTS.

1 7-513.

2 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS
3 INDICATED.

4 (2) "ANTICOMPETITIVE CONDUCT" MEANS AN ACTIVITY WHICH ALONE
5 OR IN COMBINATION WITH ANOTHER ACTIVITY WOULD, IF PROVED:

6 (I) BE IN VIOLATION OF FEDERAL OR STATE ANTITRUST LAWS;

7 (II) CONSTITUTE FAVORABLE TREATMENT OF AN AFFILIATE OR
8 SUBSIDIARY;

9 (III) DISCRIMINATE AGAINST A NONRELATED ENTITY;

10 (IV) CONSTITUTE A BARRIER TO ENTRY; OR

11 (V) CONFER AN UNFAIR COMPETITIVE ADVANTAGE ON AN ENTITY.

12 (3) "ANTICOMPETITIVE CONDITION" MEANS A CONDITION WHICH
13 WOULD ALLOW A PARTY TO:

14 (I) EXERCISE VERTICAL OR HORIZONTAL MARKET POWER;

15 (II) USE THE OWNERSHIP OR CONTROL OF A REGULATED FACILITY
16 TO FAVOR AN UNREGULATED AFFILIATE OR SUBSIDIARY OR TO DISCRIMINATE
17 AGAINST A NONAFFILIATED ENTITY;

18 (III) ERECT A BARRIER TO ENTRY; OR

19 (IV) COMPETE UNFAIRLY OR DENY EFFECTIVE CHOICE OF
20 SERVICES OR EFFECTIVE COMPETITION TO CONSUMERS.

21 (B) THE COMMISSION SHALL MONITOR THE MARKETS FOR ELECTRIC
22 SERVICES TO IDENTIFY AND PREVENT ANY CONDUCT WHICH IMPEDES THE
23 DEVELOPMENT OF FULLY COMPETITIVE MARKETS WHERE THE COMMISSION HAS
24 DETERMINED THAT MARKETS CAN BECOME COMPETITIVE.

25 (C) (1) ANY COMPETITOR OR POTENTIAL COMPETITOR IN A COMPETITIVE
26 ELECTRIC SERVICE MARKET, THE PEOPLE'S COUNSEL, OR AN AGGRIEVED OR
27 POTENTIALLY AGGRIEVED CUSTOMER OR CUSTOMER GROUP MAY FILE A
28 COMPLAINT WITH THE COMMISSION SEEKING AN INVESTIGATION OF
29 ANTICOMPETITIVE CONDUCT OR AN ANTICOMPETITIVE CONDITION.

30 (2) BASED ON A COMPLAINT FILED UNDER THIS SUBSECTION AND ANY
31 OTHER INFORMATION OBTAINED BY THE COMMISSION, THE COMMISSION MAY
32 INITIATE AN INVESTIGATION TO DETERMINE IF ANTICOMPETITIVE BEHAVIOR HAS
33 OCCURRED OR AN ANTICOMPETITIVE CONDITION EXISTS.

34 (3) THE COMMISSION SHALL INCLUDE THE USE OF ANTITRUST
35 ANALYSIS AND PRINCIPLES IN REACHING ITS DETERMINATIONS.

1 (4) IF THE COMMISSION FINDS THAT ANTICOMPETITIVE BEHAVIOR HAS
2 OCCURRED OR AN ANTICOMPETITIVE CONDITION EXISTS, THE COMMISSION MAY
3 IMPOSE ANY APPROPRIATE STRUCTURAL OR BEHAVIORAL REMEDY, INCLUDING
4 DIVESTITURE AND CONDITIONS AND LIMITATIONS ON THE OWNERSHIP, OPERATION,
5 AND CONTROL OF THE ASSETS OF A PROVIDER OF ELECTRIC SERVICE.

6 (D) THE COMMISSION MAY INITIATE ON ITS OWN MOTION AN INVESTIGATION
7 OF POTENTIALLY ANTICOMPETITIVE CONDUCT OR ANTICOMPETITIVE CONDITIONS.

8 (E) (1) THE COMMISSION MAY DETERMINE THE EFFECT ON THE MARKET
9 FOR COMPETITIVE ELECTRIC SERVICES OF:

10 (I) MERGERS, CONSOLIDATIONS, OR ACQUISITIONS OF ASSETS OF
11 PROVIDERS OF ELECTRIC SERVICES;

12 (II) TRANSMISSION CONGESTION OR CONSTRAINTS; AND

13 (III) THE DISPOSITION OF OWNERSHIP, OPERATION, OR CONTROL
14 OF ASSETS OR PROVIDERS OF ELECTRIC SERVICE.

15 (2) THE COMMISSION SHALL INCLUDE THE USE OF ANTITRUST
16 ANALYSIS IN MAKING ITS DETERMINATIONS UNDER THIS SUBSECTION.

17 (3) THE COMMISSION MAY DENY OR PLACE CONDITIONS ON ANY
18 TRANSACTION COVERED BY THIS SUBSECTION.

19 (F) THE COMMISSION SHALL:

20 (1) ADOPT REGULATIONS CONSISTENT WITH THIS SECTION BEFORE
21 RETAIL ACCESS COMMENCES UNDER § 7-502 OF THIS SUBTITLE, ESTABLISHING
22 DEFINITIONS AND PROCEDURAL RULES CONSISTENT WITH THIS SECTION; AND

23 (2) COORDINATE, SHARE INFORMATION WITH, AND COOPERATE WITH
24 THE ANTITRUST DIVISION OF THE OFFICE OF THE ATTORNEY GENERAL.

25 (G) IN ORDER TO CARRY OUT ITS RESPONSIBILITIES UNDER THIS SECTION,
26 THE COMMISSION MAY OBTAIN DOCUMENTS, INFORMATION, OR DATA IT
27 DETERMINES TO BE NECESSARY FROM AN ENTITY OVER WHICH IT HAS
28 JURISDICTION.

29 (H) NOTHING IN THIS SECTION MAY BE CONSTRUED TO EXEMPT PROVIDERS
30 OF COMPETITIVE ELECTRIC SERVICES AND THEIR AFFILIATES FROM ANY OTHER
31 APPLICABLE STATUTE OF THIS STATE OR THE UNITED STATES RELATING TO
32 CONSUMER OR ANTITRUST PROTECTIONS.

33 (I) THE RIGHTS AND REMEDIES PROVIDED IN THIS SECTION SUPPLEMENT
34 ANY OTHER RIGHTS OR REMEDIES WHICH MAY EXIST UNDER STATE OR FEDERAL
35 LAW OR COMMON LAW.

1 7-514.

2 (A) A VERTICALLY INTEGRATED INVESTOR-OWNED ELECTRIC COMPANY MAY
3 NOT PROVIDE COMPETITIVE ELECTRIC SERVICE EXCEPT THROUGH AN AFFILIATE.

4 (B) THE COMMISSION SHALL PROHIBIT A PROVIDER OF A NONCOMPETITIVE
5 ELECTRIC SERVICE FROM PROVIDING A COMPETITIVE SERVICE, EXCEPT THROUGH
6 AN AFFILIATE OF THE PROVIDER.

7 (C) THE COMMISSION SHALL REQUIRE EACH PROVIDER OF A
8 NONCOMPETITIVE SERVICE THAT IS NECESSARY TO THE PROVISION OF A
9 COMPETITIVE SERVICE TO MAKE ITS FACILITIES OR SERVICES AVAILABLE TO ALL
10 ELECTRIC SERVICE PROVIDERS ON EQUAL AND NONDISCRIMINATORY TERMS AND
11 CONDITIONS.

12 (D) (1) AN AFFILIATE OF A PROVIDER OF A NONCOMPETITIVE SERVICE MAY
13 PROVIDE A COMPETITIVE SERVICE ONLY ON A FINDING BY THE COMMISSION, AFTER
14 NOTICE AND HEARING, THAT:

15 (I) THE PROVIDER OF THE NONCOMPETITIVE SERVICE COMPLIES
16 WITH SUBSECTION (C) OF THIS SECTION;

17 (II) THE AFFILIATE WILL HAVE, WITH RESPECT TO THE PROVISION
18 OF THE ELECTRIC SERVICE, AN ARM'S LENGTH RELATIONSHIP WITH THE ENTITY
19 THAT PROVIDES THE NONCOMPETITIVE SERVICE;

20 (III) THE BUSINESS OR ORGANIZATIONAL RELATIONSHIP BETWEEN
21 THE PROVIDER OF THE NONCOMPETITIVE SERVICE AND THE AFFILIATE PROVIDING
22 THE COMPETITIVE SERVICE DOES NOT INTERFERE WITH THE DEVELOPMENT OF
23 EFFECTIVE COMPETITION; AND

24 (IV) THE RISK OF ANTICOMPETITIVE BEHAVIOR BY THE PROVIDER
25 OF THE NONCOMPETITIVE SERVICE OR THE AFFILIATE PROVIDING THE
26 COMPETITIVE SERVICE IS MINIMAL, AND THE REGULATORY EXPENSES TO PREVENT
27 THE ANTICOMPETITIVE BEHAVIOR ARE MINIMAL.

28 (2) THE COMMISSION SHALL ADOPT REGULATIONS TO SPECIFY THE
29 INFORMATION THAT MUST BE SUBMITTED AND THE PROCEDURE THAT MUST BE
30 USED TO PROCESS A REQUEST BY AN AFFILIATE OF A PROVIDER OF A
31 NONCOMPETITIVE SERVICE FOR AUTHORIZATION TO PROVIDE A COMPETITIVE
32 SERVICE.

33 (3) A PROVIDER OF NONCOMPETITIVE SERVICE AND ITS AFFILIATE
34 WHICH IS PROVIDING A COMPETITIVE SERVICE UNDER THIS SECTION ARE SUBJECT
35 TO ALL APPLICABLE STATE AND FEDERAL STATUTES RELATING TO CONSUMER AND
36 ANTITRUST PROTECTIONS IN THE SAME MANNER AS IF THE PROVIDER AND ITS
37 AFFILIATE WERE NOT AFFILIATED.

1 (E) THE COMMISSION HAS JURISDICTION OVER ELECTRIC UTILITY HOLDING
2 COMPANIES, THEIR AFFILIATES, SUBSIDIARIES, AND ENTITIES CONTROLLED BY
3 THEM FOR THE FOLLOWING PURPOSES:

4 (1) ACCESSING, EXAMINING, AND OBTAINING THEIR BOOKS AND
5 RECORDS IN THE PERFORMANCE OF THE COMMISSION'S RESPONSIBILITIES UNDER
6 THIS SUBTITLE;

7 (2) INVESTIGATING AND REGULATING TRANSACTIONS BETWEEN AND
8 AMONG THEM TO THE EXTENT THAT A TRANSACTION MAY AFFECT THE INTERESTS
9 OF RATEPAYERS AND CONSUMERS OF A REGULATED ELECTRIC SERVICE OR AN
10 UNREGULATED ELECTRIC SERVICE; AND

11 (3) REVIEWING AND APPROVING, DENYING, OR PLACING CONDITIONS
12 ON MERGERS, CONSOLIDATIONS, ACQUISITIONS, SALES, STOCK EXCHANGES, OR
13 TRANSFERS OF AN ELECTRIC UTILITY HOLDING COMPANY OR ITS AFFILIATE WHICH
14 PROVIDES REGULATED OR UNREGULATED ELECTRIC SERVICES.

15 7-515.

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (2) "DISTRIBUTED GENERATION" MEANS SMALL SCALE GENERATION
19 RESOURCES LOCATED ON THE DISTRIBUTION SYSTEM, ON THE PREMISES OF THE
20 ELECTRICITY SUPPLIER OR THE CUSTOMER PREMISES.

21 (3) "RENEWABLE ENERGY RESOURCE" MEANS A SOURCE OF
22 ELECTRICAL GENERATION, INCLUDING DISTRIBUTED GENERATION, THAT
23 GENERATES POWER THAT CAN BE PHYSICALLY DELIVERED TO THE CONTROL
24 REGION IN WHICH THE PJM INTERCHANGE OR ITS SUCCESSOR HAS AUTHORITY
25 OVER TRANSMISSION AND THAT RELIES ONLY ON ONE OR MORE OF THE FOLLOWING
26 TO GENERATE ELECTRICITY:

27 (I) SINGLE FUEL BIOMASS POWER CONVERSION TECHNOLOGIES
28 INCLUDING GASIFICATION THAT USE BIOMASS FUELS AS WOOD, AGRICULTURAL OR
29 FOOD WASTES, ENERGY CROPS, BIOGAS, OR ORGANIC REFUSE-DERIVED FUEL;

30 (II) FUEL CELLS UTILIZING RENEWABLE FUELS;

31 (III) RECOVERED METHANE;

32 (IV) GEOTHERMAL ENERGY;

33 (V) SOLAR PHOTOVOLTAIC OR SOLAR THERMAL ELECTRIC
34 ENERGY;

35 (VI) OCEAN THERMAL, WAVE, AND TIDAL ENERGY;

36 (VII) WIND ENERGY; AND

1 (VIII) ANY OTHER ENERGY TECHNOLOGY ACCEPTED FOR INCLUSION
2 IN THE RENEWABLES PORTFOLIO STANDARD BY THE COMMISSION, THE MARYLAND
3 ENERGY ADMINISTRATION, AND THE DEPARTMENT OF NATURAL RESOURCES,
4 EXCEPT FOR TECHNOLOGIES THAT INCLUDE COAL, OIL, OR DIRECT COMBUSTION OF
5 NATURAL GAS.

6 (B) ON OR BEFORE APRIL 1, 2000, THE COMMISSION SHALL:

7 (1) DETERMINE THE AMOUNT OF RENEWABLE ENERGY
8 KILOWATT-HOUR SALES AND NET-METERING CREDITS TO END-USE CUSTOMERS IN
9 THE STATE FOR CALENDAR YEAR 1998; AND

10 (2) DETERMINE THE STATEWIDE PERCENTAGE OF RENEWABLE
11 KILOWATT-HOURS SOLD AND CREDITED OF THE TOTAL KILOWATT-HOURS SOLD IN
12 THE STATE FOR CALENDAR YEAR 1998.

13 (C) EACH RETAIL ELECTRIC SERVICE PROVIDER SHALL PROVIDE A MINIMUM
14 PERCENTAGE OF KILOWATT-HOUR SALES TO END-USE CUSTOMERS IN THE STATE
15 FROM RENEWABLE ENERGY SOURCES THAT:

16 (1) EQUALS 1% BY 2004, INCREASING BY 0.5% EACH YEAR THEREAFTER
17 TO A TOTAL OF 5% IN 2010; AND

18 (2) AFTER 2010, GROWS BY 1% PER YEAR THEREAFTER UNTIL A DATE
19 DETERMINED BY THE COMMISSION IN CONSULTATION WITH THE MARYLAND
20 ENERGY ADMINISTRATION.

21 (D) EACH RETAIL ELECTRIC SERVICE PROVIDER COVERED BY THIS SECTION
22 SHALL SUBMIT AN ANNUAL REPORT TO THE COMMISSION, IN A FORMAT THE
23 COMMISSION SPECIFIES, DEMONSTRATING THE ACHIEVEMENT OF THE
24 REQUIREMENTS SET FORTH IN SUBSECTION (C) OF THIS SECTION.

25 (E) (1) A RETAIL ELECTRIC SERVICE PROVIDER THAT FAILS TO SUBMIT AN
26 ANNUAL REPORT OR TO ACHIEVE THE REQUIREMENTS UNDER SUBSECTION (C) OF
27 THIS SECTION IS SUBJECT TO A CIVIL PENALTY NOT EXCEEDING \$5,000.

28 (2) EACH DAY A VIOLATION OCCURS IS A SEPARATE VIOLATION.

29 7-516.

30 (A) FOR EMISSIONS OF OXIDES OF NITROGEN INTO THE AMBIENT AIR, EACH
31 RETAIL ELECTRIC SERVICE PROVIDER OR OTHER ENTITY THAT SELLS RETAIL
32 ELECTRIC POWER TO CUSTOMERS IN THE STATE SHALL:

33 (1) MEET OR EXCEED THE STANDARD OF .15 POUNDS PER MILLION BTU;
34 OR

35 (2) DEMONSTRATE THAT IT HAS OBTAINED SUFFICIENT CREDITS TO
36 MEET OR EXCEED THE STANDARD SET FORTH IN PARAGRAPH (1) OF THIS
37 SUBSECTION.

1 (B) FOR EMISSIONS OF SULFUR DIOXIDE INTO THE AMBIENT AIR, EACH
2 RETAIL ELECTRIC SERVICE PROVIDER OR OTHER ENTITY THAT SELLS RETAIL
3 ELECTRIC POWER TO CUSTOMERS IN THE STATE SHALL MEET OR EXCEED THE
4 STANDARD OF 1.2 POUNDS PER MILLION BTU.

5 (C) THE REQUIREMENTS OF SUBSECTIONS (A) AND (B) OF THIS SECTION
6 SHALL BECOME EFFECTIVE WHEN CUSTOMER RETAIL ACCESS TO COMPETITIVE
7 ELECTRIC SUPPLIES BEGINS UNDER § 7-502 OF THIS SUBTITLE.

8 (D) AN ELECTRIC SERVICE PROVIDER SUBJECT TO SUBSECTIONS (A) AND (B)
9 OF THIS SECTION SHALL CERTIFY TO THE COMMISSION THAT IT COMPLIES WITH
10 SUBSECTIONS (A) AND (B) OF THIS SECTION.

11 (E) THE COMMISSION, IN CONSULTATION WITH THE DEPARTMENT OF THE
12 ENVIRONMENT, SHALL ADOPT APPROPRIATE MEASURES TO MAINTAIN
13 ENVIRONMENTAL SAFEGUARDS, ADAPT EXISTING PROGRAMS, AND DEVELOP NEW
14 PROGRAMS AS APPROPRIATE TO ENSURE THAT FEDERAL AND STATE
15 ENVIRONMENTAL PROTECTION STANDARDS ARE NOT COMPROMISED IN A
16 COMPETITIVE ELECTRICITY MARKET.

17 7-517.

18 (A) EACH RETAIL ELECTRIC SERVICE PROVIDER SHALL DISCLOSE TO ITS
19 CUSTOMERS ON A QUARTERLY BASIS:

20 (1) THE SOURCES OF ELECTRICITY SUPPLIED, BROKEN OUT BY
21 PERCENTAGES, OF RENEWABLE ENERGY RESOURCE-GENERATED POWER,
22 COAL-FIRED POWER, NATURAL GAS-FIRED POWER, NUCLEAR POWER, OIL-FIRED
23 POWER, AND OTHER RESOURCES;

24 (2) A PIE CHART WHICH GRAPHICALLY DEPICTS THE PERCENTAGES OF
25 THE SOURCES OF THE ELECTRICITY SUPPLIED AS SET FORTH IN PARAGRAPH (1) OF
26 THIS SUBSECTION; AND

27 (3) TO THE MAXIMUM EXTENT PRACTICABLE, A STANDARDIZED CHART
28 THAT:

29 (I) LISTS THE AMOUNTS OF CARBON DIOXIDE, OXIDES OF
30 NITROGEN, SULFUR DIOXIDE EMISSIONS, AND NUCLEAR WASTE ATTRIBUTABLE TO
31 THE SOURCES OF ELECTRICITY SUPPLIES AS LISTED IN PARAGRAPH (1) OF THIS
32 SUBSECTION; AND

33 (II) COMPARES THE AMOUNTS LISTED IN SUBPARAGRAPH (I) OF
34 THIS PARAGRAPH TO THE AMOUNTS OF CARBON DIOXIDE, OXIDES OF NITROGEN,
35 SULFUR DIOXIDE EMISSIONS, AND NUCLEAR WASTE, RESPECTIVELY, ATTRIBUTABLE
36 TO THE MOST EFFICIENT, LEAST POLLUTING ELECTRIC ENERGY ALTERNATIVE
37 AVAILABLE FOR RETAIL SALE IN THE STATE.

38 (B) ON OR BEFORE JANUARY 1, 2000, THE COMMISSION SHALL, IN
39 CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT, CONDUCT

1 PROCEEDINGS TO ESTABLISH THE STANDARDS AND PROCEDURES TO IMPLEMENT
2 THIS SECTION.

3 7-518.

4 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS
5 INDICATED.

6 (2) "ELIGIBLE EMPLOYEES" MEANS ALL EMPLOYEES OF AN
7 INVESTOR-OWNED ELECTRIC COMPANY WHO ARE:

8 (I) NOT OFFICERS OF THE ELECTRIC COMPANY;

9 (II) EMPLOYED BY THE ELECTRIC COMPANY ON JANUARY 1, 1999;
10 AND

11 (III) LAID OFF DUE TO COMPETITION.

12 (3) "COMPETITION" MEANS RETAIL ACCESS OR THE SALE OR MERGER OF
13 ANY GENERATION ASSET THAT OCCURS BEFORE OCTOBER 1, 1999.

14 (B) (1) IN THE ABSENCE OF OTHER JUST CAUSE AS DETERMINED BY THE
15 COMMISSION, A LAYOFF AFTER OCTOBER 1, 1999, AND BEFORE THE DATE
16 DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION IS DEEMED TO HAVE
17 RESULTED FROM COMPETITION.

18 (2) THE COMMISSION SHALL DETERMINE A DATE AFTER WHICH A
19 LAYOFF IS DEEMED NOT TO HAVE RESULTED FROM COMPETITION.

20 (3) AN EMPLOYEE WHOSE JOB DUTIES OR ASSIGNMENT ARE
21 TRANSFERRED WITHIN A COMPANY OR WITHIN AFFILIATED COMPANIES AT SIMILAR
22 LEVELS OF COMPENSATION IS NOT AN ELIGIBLE EMPLOYEE FOR THAT REASON.

23 (C) (1) BEFORE THE COMMENCEMENT OF RETAIL ACCESS UNDER § 7-502 OF
24 THIS SUBTITLE, EACH INVESTOR-OWNED ELECTRIC COMPANY SHALL PREPARE A
25 PLAN FOR PROVIDING TRANSITION SERVICES AND BENEFITS FOR ELIGIBLE
26 EMPLOYEES.

27 (2) THE PLAN SHALL:

28 (I) INCLUDE A PROGRAM TO ASSIST ELIGIBLE EMPLOYEES IN
29 MAINTAINING FRINGE BENEFITS AND OBTAINING EMPLOYMENT THAT MAKES USE
30 OF THEIR POTENTIAL;

31 (II) FOR 2 YEARS AFTER THE BEGINNING OF RETAIL ACCESS,
32 PROVIDE TO ELIGIBLE EMPLOYEES RETRAINING SERVICES AND OUT-PLACEMENT
33 SERVICES AND BENEFITS, INCLUDING INTENSIVE
34 VOCATIONAL-INTERESTS-AND-APTITUDE SCREENING;

35 (III) PROVIDE FULL TUITION FOR 2 YEARS AT THE UNIVERSITY OF
36 MARYLAND OR, IN THE DISCRETION OF THE EMPLOYEE, A VOCATIONAL OR

1 TECHNICAL SCHOOL IN THE STATE, OR OTHER REASONABLE RETRAINING SERVICES
2 OF VALUE EQUAL TO FULL IN-STATE TUITION FOR 2 YEARS AT THE UNIVERSITY OF
3 MARYLAND;

4 (IV) FOR 2 YEARS, OR UNTIL PERMANENT REPLACEMENT
5 COVERAGE IS OBTAINED THROUGH REEMPLOYMENT, WHICHEVER COMES FIRST,
6 PROVIDE CONTINUED HEALTH CARE INSURANCE FOR INDIVIDUALS WHO ELECT TO
7 PARTICIPATE, AT THE BENEFIT AND CONTRIBUTION LEVELS EXISTING DURING THE
8 INDIVIDUAL'S EMPLOYMENT WITH THE INVESTOR-OWNED ELECTRIC UTILITY; AND

9 (V) PROVIDE FOR SEVERANCE PAY EQUAL TO 2 WEEKS OF BASE
10 PAY FOR EACH YEAR OF FULL-TIME EMPLOYMENT.

11 (D) (1) EACH INVESTOR-OWNED ELECTRIC COMPANY SHALL FILE WITH
12 THE COMMISSION A PLAN FOR PROVIDING TRANSITIONAL SERVICES AND BENEFITS
13 FOR ELIGIBLE EMPLOYEES THAT COMPLIES WITH THIS SECTION.

14 (2) A PLAN MUST BE FILED BY THE EARLIER OF:

15 (I) THE ELECTRIC UTILITY FINALIZING ANY
16 COMPETITION-RELATED TRANSACTION THAT WOULD RESULT IN AN ELIGIBLE
17 EMPLOYEE BEING LAID OFF; OR

18 (II) 90 DAYS BEFORE THE START OF RETAIL ACCESS UNDER § 7-502
19 OF THIS SUBTITLE.

20 (3) BEFORE FILING THE PLAN WITH THE COMMISSION, THE
21 INVESTOR-OWNED ELECTRIC COMPANY SHALL INFORM ITS EMPLOYEES AND THEIR
22 CERTIFIED REPRESENTATIVES OF THE PROVISIONS OF THE PROPOSED PLAN AND, IN
23 ACCORDANCE WITH APPLICABLE LAW, SHALL CONFER WITH THOSE EMPLOYEES OR
24 THEIR CERTIFIED REPRESENTATIVES REGARDING:

25 (I) THE IMPACT OF THE PROPOSED PLAN ON THOSE EMPLOYEES;
26 AND

27 (II) MEASURES TO MINIMIZE ANY RESULTING HARDSHIPS ON
28 THOSE EMPLOYEES.

29 (4) (I) WHILE A PLAN IS IN EFFECT, AN INVESTOR-OWNED ELECTRIC
30 COMPANY SHALL FILE NOTICE WITH THE COMMISSION OF ANY CLOSURE OR
31 RELOCATION OF FACILITIES AND ANY ACTION OR REORGANIZATION THAT MAY
32 RESULT IN LAYOFFS.

33 (II) THE NOTICE SHALL INCLUDE A DESCRIPTION OF THE ACTIONS,
34 THE REASONS FOR THE ACTIONS, AND AN ASSESSMENT OF THE EFFECTS OF THE
35 ACTIONS ON THE INVESTOR-OWNED ELECTRIC COMPANY'S EMPLOYEES.

36 (E) (1) IF AN INVESTOR-OWNED ELECTRIC COMPANY OR ONE OR MORE OF
37 ITS AFFILIATES, SUBSIDIARIES, OR PARENT COMPANIES IS A PARTY TO A
38 COLLECTIVE BARGAINING AGREEMENT RECOGNIZED BY FEDERAL OR STATE LAW,

1 AND IF AS A RESULT OF COMPETITION ANY OF THOSE COMPANIES CREATES,
2 ACQUIRES, OR MERGES WITH ANY OTHER ENTITY, THAT ENTITY SHALL CONTINUE TO
3 RECOGNIZE AND BARGAIN WITH THE UNION REPRESENTING THE EMPLOYEES OF
4 THE COMPANY AT THE TIME OF THE CREATION, ACQUISITION, OR MERGER AND
5 SHALL REFRAIN FROM MAKING UNILATERAL CHANGES IN THE EMPLOYEES' TERMS
6 AND CONDITIONS OF EMPLOYMENT.

7 (2) ANY SUCCESSOR EMPLOYER SHALL BE BOUND TO THE TERMS OF
8 THE COLLECTIVE BARGAINING AGREEMENT TO THE EXTENT ALLOWED BY FEDERAL
9 LAW.

10 (F) (1) THE COMMISSION SHALL ALLOCATE THE REASONABLE ACCRUAL
11 INCREMENT COST OF THE SERVICES AND BENEFITS REQUIRED UNDER THIS
12 SECTION TO RATEPAYERS THROUGH CHARGES COLLECTED BY THE DISTRIBUTION
13 UTILITY.

14 (2) ALL CHARGES COLLECTED UNDER THIS SECTION SHALL BE
15 TRANSFERRED TO A SYSTEM BENEFITS ADMINISTRATOR IN THE DISTRIBUTION
16 UTILITY AND USED TO PROVIDE SERVICES AND BENEFITS UNDER THIS SECTION.

17 (G) NOTHING IN THIS SECTION MAY PREVENT ANY COMPANY, CORPORATION,
18 OR OTHER BUSINESS FROM ENTERING INTO A COLLECTIVE AGREEMENT AS
19 ALLOWED BY STATE OR FEDERAL LAW.

20 7-519.

21 (A) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO AFFECT THE
22 AUTHORITY OF THE DIVISION OF CONSUMER PROTECTION IN THE OFFICE OF THE
23 ATTORNEY GENERAL TO ENFORCE CIVIL AND CRIMINAL VIOLATIONS OF TITLES 13
24 AND 14 OF THE COMMERCIAL LAW ARTICLE OR ANY OTHER APPLICABLE STATE LAW
25 OR REGULATION IN CONNECTION WITH THE ACTIVITIES OF RETAIL ELECTRIC
26 SERVICE PROVIDERS.

27 (B) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO AFFECT THE
28 OBLIGATIONS OF A DISTRIBUTION UTILITY OR RETAIL ELECTRIC SERVICE PROVIDER
29 TO COMPLY WITH ADMINISTRATIVE RULES AND REGULATIONS REGARDING ANY
30 GRANTS, PAYMENTS OR CREDITS FOR ELIGIBLE CUSTOMERS, AND OTHER
31 ADMINISTRATIVE AND REPORTING DETAILS REQUIRED TO IMPLEMENT THE
32 UNIVERSAL SERVICE PROGRAMS UNDER § 7-511 OF THIS SUBTITLE.

33 (C) NOTHING IN THIS SUBTITLE MAY PROHIBIT THE PARTICIPATION OF
34 RETAIL ELECTRIC SERVICE PROVIDERS IN A UNIVERSAL SERVICE PROGRAM, IF IT IS
35 DETERMINED THAT THE PARTICIPATION WILL NOT ADVERSELY AFFECT THE ABILITY
36 OF ELIGIBLE LOW-INCOME CUSTOMERS TO MAINTAIN THEIR ELECTRIC UTILITY
37 SERVICE.

1

Article - Commercial Law

2 13-104.

3 This title does not apply to:

4 (1) The professional services of a certified public accountant, architect,
5 clergyman, professional engineer, lawyer, veterinarian, insurance company
6 authorized to do business in the State, insurance agent or broker licensed by the
7 State, Christian Science practitioner, land surveyor, property line surveyor,
8 chiropractor, optometrist, physical therapist, podiatrist, real estate broker, associate
9 real estate broker, or real estate salesperson, or medical or dental practitioner;

10 (2) A public service company THAT HAS ITS RATES SET BY THE PUBLIC
11 SERVICE COMMISSION[, to the extent that the company's services and operations are
12 regulated by the Public Service Commission]; or

13 (3) A television or radio broadcasting station or a publisher or printer of
14 a newspaper, magazine, or other form of printed advertising who broadcasts,
15 publishes, or prints an advertisement which violates this title, unless the station,
16 publisher, or printer engages in an unfair or deceptive trade practice in the sale of its
17 own goods or services or has knowledge that the advertising is in violation of this
18 title.

19

Article - Natural Resources

20 3-302.

21 (a) There is an Environmental Trust Fund. For the purpose of this subtitle,
22 there is established as an added cost of generation, an environmental surcharge per
23 kilowatt hour of electric energy generated in the State to be paid by any electric
24 company as defined in § 1-101 of the Public Utility Companies Article. This surcharge
25 initially shall be assessed at 0.1 mill per kilowatt hour as of January 1, 1972. The
26 Public Service Commission shall impose the surcharge per kilowatt hour of electric
27 energy generated within the State and shall authorize the electric companies to add
28 the full amount of the surcharge to customers' bills. To the extent that the surcharge
29 is not collected from customers, the surcharge shall be deemed a cost of generation
30 and shall be allowed and computed as such, together with other allowable expenses,
31 for rate-making purposes. Revenues from the surcharge shall be collected by the
32 Comptroller and placed in the Fund.

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

39 (2) Notwithstanding any other provisions of this subtitle, the amount of
40 the surcharge for each account may not exceed the lesser of 0.15 mil per kilowatt hour

1 or \$1,000 per month and the surcharge may not continue beyond Fiscal Year [2000]
2 2005.

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

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