

HOUSE BILL 529

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C5

2000 Regular Session  
0lr0346  
CF 0lr1012

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By: **Delegates Billings, Hubbard, Frush, and Morhaim**

Introduced and read first time: February 7, 2000

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Electric Industry - Aggregation - Counties and Municipal Corporations**

3 FOR the purpose of altering the definition of "aggregator" to include a county or  
4 municipal corporation that acts on behalf of a customer to purchase electricity  
5 for customers under certain circumstances; authorizing a county or municipal  
6 corporation to act as an aggregator unless certain circumstances exist; providing  
7 a time for the Public Service Commission to make a certain determination;  
8 establishing a process by which a certain customer will be deemed to have given  
9 permission to the county or municipal corporation to act as its aggregator;  
10 requiring the Public Service Commission to adopt certain regulations by a  
11 certain date; requiring the Commission to consider certain factors; and  
12 generally relating to the ability of a county or municipal corporation to  
13 aggregate electricity customers within the county or municipal corporation.

14 BY repealing and reenacting, with amendments,  
15 Article - Public Utility Companies  
16 Section 1-101(b) and 7-510(f)  
17 Annotated Code of Maryland  
18 (1998 Volume and 1999 Supplement)

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

21 **Article - Public Utility Companies**

22 1-101.

23 (b) (1) "Aggregator" means an entity or an individual that acts on behalf of a  
24 customer to purchase electricity.

25 (2) "AGGREGATOR" INCLUDES A COUNTY OR MUNICIPAL CORPORATION  
26 THAT ACTS ON BEHALF OF A CUSTOMER TO PURCHASE ELECTRICITY FOR RETAIL  
27 RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS:

1 (I) LOCATED WITHIN THE COUNTY OR MUNICIPAL CORPORATION;  
2 AND

3 (II) THAT HAVE NOT SELECTED ANOTHER AGGREGATOR OR  
4 REFUSED TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COUNTY OR  
5 MUNICIPAL CORPORATION.

6 [(2)] (3) "Aggregator" does not include:

7 (i) an entity or individual that purchases electricity ONLY for its  
8 own use or for the use of its subsidiaries or affiliates;

9 (ii) a municipal electric utility serving only in its distribution  
10 territory; or

11 (iii) a combination of governmental units that purchases electricity  
12 ONLY for use by the governmental units.

13 7-510.

14 (f) (1) A county or municipal corporation may [not] act as an aggregator  
15 unless the Commission determines [there is not sufficient competition] THAT MORE  
16 THAN 20% OF THE RETAIL RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC  
17 CUSTOMERS within the boundaries of the county or municipal corporation HAVE  
18 SELECTED AN AGGREGATOR OTHER THAN THE STANDARD OFFER SERVICE  
19 SUPPLIER.

20 (2) THE COMMISSION SHALL MAKE ITS DETERMINATION UNDER  
21 PARAGRAPH (1) OF THIS SUBSECTION AT THE TIME THE COUNTY OR MUNICIPAL  
22 CORPORATION APPLIES FOR A LICENSE TO BECOME AN AGGREGATOR UNDER § 7-507  
23 OF THIS SUBTITLE.

24 (3) (I) IF A COUNTY OR MUNICIPAL CORPORATION CHOOSES TO ACT  
25 AS AN AGGREGATOR UNDER THIS SUBSECTION, THE COUNTY OR MUNICIPAL  
26 CORPORATION SHALL PROVIDE A WRITTEN NOTICE TO ALL RESIDENTIAL AND SMALL  
27 COMMERCIAL ELECTRIC CUSTOMERS WITHIN ITS BOUNDARIES THAT HAVE NOT  
28 CHOSEN AN AGGREGATOR OF ITS INTENTIONS TO ACT AS AN AGGREGATOR.

29 (II) IN THE NOTICE REQUIRED UNDER THIS PARAGRAPH, THE  
30 COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE THE RESIDENTIAL AND  
31 SMALL COMMERCIAL CUSTOMERS WITH THE OPPORTUNITY TO REFUSE TO  
32 PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COUNTY OR MUNICIPAL  
33 CORPORATION.

34 (III) A RESIDENTIAL OR SMALL COMMERCIAL CUSTOMER IS  
35 DEEMED TO HAVE GIVEN PERMISSION TO THE COUNTY OR MUNICIPAL  
36 CORPORATION TO ACT AS ITS AGGREGATOR:

37 1. ON RECEIPT BY THE COUNTY OR MUNICIPAL  
38 CORPORATION OF A RETURNED NOTICE EXPLICITLY GRANTING PERMISSION; OR

