

Department of Legislative Services  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

Senate Bill 777 (Senator Collins)  
Finance

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**Electric Companies - Separation of Regulated and Nonregulated Businesses**

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This bill requires the Public Service Commission, on or before July 1, 2001, to require the functional, operational, structural, *and* legal separation between an electric company's regulated businesses and its nonregulated businesses or nonregulated affiliates. This would result in the legal separation of an electric company's regulated businesses and its nonregulated businesses or nonregulated affiliates.

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**Fiscal Summary**

**State Effect:** The bill's requirements could be handled with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** By July 1, 2000, the Public Service Commission (PSC) must require the functional, operational, structural, *or* legal separation of regulated businesses and unregulated businesses and affiliates of electric companies. The PSC established parameters for functional, structural, operational, or legal separation of regulated and unregulated businesses as part of Order 76292 issued on July 1, 2000. Because legal separation is not required, depending on the specific circumstances varying levels of sharing of employees and assets between regulated and unregulated businesses was permitted by the PSC.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB1022 (Delegates Klausmeier and Boutin) – Environmental Matters.

**Information Source(s):** Public Service Commission, Office of the People’s Counsel,  
Department of Legislative Services

**Fiscal Note History:** First Reader – March 2, 2001

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Analysis by: Christine A. Scott

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510