
By: **Delegates Billings, Hubbard, Oaks, Morhaim, Bobo, and Pendergrass**
Introduced and read first time: January 25, 2002
Assigned to: Environmental Matters

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; providing for
12 the effective date of this Act; and generally relating to the ability of a county or
13 municipal corporation to aggregate electricity customers within the county or
14 municipal corporation.

15 BY repealing and reenacting, with amendments,
16 Article - Public Utility Companies
17 Section 1-101(b) and 7-510(f)
18 Annotated Code of Maryland
19 (1998 Volume and 2001 Supplement)

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

22 **Article - Public Utility Companies**

23 1-101.

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

26 (2) "AGGREGATOR" INCLUDES A COUNTY OR MUNICIPAL CORPORATION
27 THAT ACTS ON BEHALF OF A CUSTOMER TO PURCHASE ELECTRICITY FOR RETAIL
28 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 or gas ONLY
8 for its own use or for the use of its subsidiaries or affiliates;

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

11 (iii) a combination of governmental units that purchases electricity
12 or gas 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 FOR ELECTRICITY unless the Commission determines [there is not sufficient
16 competition] THAT MORE THAN 20% OF THE RETAIL RESIDENTIAL AND SMALL
17 COMMERCIAL ELECTRIC CUSTOMERS within the boundaries of the county or
18 municipal corporation HAVE SELECTED AN AGGREGATOR OTHER THAN THE
19 STANDARD OFFER SERVICE 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

