

SENATE BILL 894

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C5

2002 Regular Session
2lr3028
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By: **Senator Bromwell**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 7, 2002

Rules suspended

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Joint Oversight Committee on Electric Customer Choice and Competition**

3 FOR the purpose of establishing the Joint Oversight Committee on Electric Customer
4 Choice and Competition; providing for the membership, purposes, duties, and
5 staffing of the Committee; requiring the Committee to report to certain persons
6 by a certain date; providing for the effective date and termination of this Act;
7 and generally relating to the Joint Oversight Committee on Electric Customer
8 Choice and Competition.

9 Preamble

10 WHEREAS, The General Assembly enacted the Electric Customer Choice and
11 Competition Act in 1999 for the purpose of: (1) establishing customer choice of
12 electricity supply and electricity supply services; (2) creating competitive retail
13 electricity supply and electricity supply service markets; (3) deregulating the
14 generation, supply, and pricing of electricity; (4) providing economic benefits for all
15 customer classes; and (5) ensuring compliance with federal and State environmental
16 standards; and

17 WHEREAS, The General Assembly established a transition to a restructured
18 electric industry with the initial implementation of customer choice beginning July 1,
19 2000; and

20 WHEREAS, Almost all electric customers in Maryland gained the opportunity to
21 choose electric suppliers during the year 2000 or 2001; and

22 WHEREAS, The Electric Customer Choice and Competition Act establishes a
23 balanced framework governing transition to a restructured electric supply industry;
24 and

25 WHEREAS, Maryland's electric industry and electric customers now are in the
26 transition period established by the statute; and

1 WHEREAS, The Public Service Commission, through Case No. 8908, "In the
2 Matter of the Commission's Inquiry Into the Competitive Selection of Electricity
3 Supplier/Standard Offer Services", is examining issues relating to the Electric
4 Customer Choice and Competition Act; and

5 WHEREAS, The transition period is likely to yield valuable information
6 concerning the needs and wants of electric customers and the operation of the
7 restructured electric supply industry; and

8 WHEREAS, During the transition period, Maryland has an opportunity to learn
9 from developments in the electric industry outside Maryland; and

10 WHEREAS, The information obtained during the transition period should be
11 useful in ensuring that Maryland continues to attain the balanced goals and purposes
12 of the Electric Customer Choice and Competition Act; and

13 WHEREAS, The information obtained during the transition period should be
14 useful in determining whether any improvements to the Electric Customer Choice
15 and Competition Act are needed to achieve the purposes and goals of that statute;
16 now, therefore,

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That:

19 (a) There is a Joint Oversight Committee on Electric Customer Choice and
20 Competition.

21 (b) The Committee consists of the following 21 members:

22 (1) two members of the Senate of Maryland selected by the President of
23 the Senate;

24 (2) two members of the Maryland House of Delegates selected by the
25 Speaker of the House;

26 (3) 12 members shall be appointed jointly by the President of the Senate
27 and the Speaker of the House as follows:

28 (i) four representatives of investor-owned electric utilities serving
29 customers at retail in Maryland, with each representative from a different utility;

30 (ii) two representatives of electric cooperatives headquartered in
31 Maryland and serving customers at retail in Maryland, with each representative from
32 a different cooperative;

33 (iii) one representative of municipal electrical systems serving
34 customers at retail in Maryland;

35 (iv) one representative of industrial electric customers in Maryland;

1 (v) one representative of small commercial electric customers in
2 Maryland;

3 (vi) one representative of large commercial electric customers in
4 Maryland which may be a representative of commercial building and apartment
5 owners and operators;

6 (vii) one representative of energy suppliers; and

7 (viii) one representative of a nonprofit environmental organization
8 headquartered in Maryland.

9 (4) (i) one representative of the Public Service Commission designated
10 by the Chairman of the Public Service Commission;

11 (ii) the People's Counsel, or a designee of the People's Counsel who
12 represents residential electric customers;

13 (iii) one representative of the Maryland Department of the
14 Environment designated by the Secretary of the Environment;

15 (iv) one representative of the Maryland Energy Administration
16 designated by the Director of the Maryland Energy Administration; and

17 (v) one representative of the Maryland Department of Business
18 and Economic Development designated by the Secretary of Business and Economic
19 Development.

20 (c) (1) The President of the Senate shall designate one of the members
21 appointed from the Senate Finance Committee as cochairman of the Committee.

22 (2) The Speaker of the House shall designate one of the members from
23 the House Environmental Matters Committee as cochairman of the Committee.

24 (d) The members of the Committee shall serve without compensation but are
25 entitled to expenses under the Standard State Travel Regulations, as provided in the
26 State budget.

27 (e) The Department of Legislative Services shall provide staff support to the
28 Committee.

29 (f) The Committee shall:

30 (1) examine and evaluate:

31 (i) the status of electric customer choice and competition in the
32 State; and

33 (ii) whether legislative changes are needed to ensure a smooth
34 transition to a restructured electric industry and the furtherance of the purposes and
35 goals of the Electric Customer Choice and Competition Act; and

1 (2) advise the General Assembly by:

2 (i) responding to requests for information by the General Assembly
3 in connection with electric restructuring; and

4 (ii) submitting an annual report to the Governor and, subject to §
5 2-1246 of the State Government Article, the General Assembly on or before December
6 31 of each year with its findings and recommendations for legislative changes to the
7 Electric Customer Choice and Competition Act.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 July 1, 2002. It shall remain effective for a period of 2 years and, at the end of June
10 30, 2004, with no further action required by the General Assembly, this Act shall be
11 abrogated and of no further force and effect.