

SENATE BILL 894

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2002 Regular Session  
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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

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: March 28, 2002

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CHAPTER \_\_\_\_\_

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

1 WHEREAS, The Electric Customer Choice and Competition Act establishes a  
2 balanced framework governing transition to a restructured electric supply industry;  
3 and

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

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

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

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

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

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

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
23 MARYLAND, That:

24 (a) There is a Joint Oversight Committee on Electric Customer Choice and  
25 Competition.

26 (b) The Committee consists of the following ~~24~~ 23 members:

27 (1) two members of the Senate of Maryland selected by the President of  
28 the Senate;

29 (2) two members of the Maryland House of Delegates selected by the  
30 Speaker of the House;

31 (3) ~~12~~ 14 members shall be appointed jointly by the President of the  
32 Senate and the Speaker of the House as follows:

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

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

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

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

7 (v) one representative of small commercial electric customers in  
8 Maryland;

9 (vi) one representative of large commercial electric customers in  
10 Maryland which may be a representative of commercial building and apartment  
11 owners and operators;

12 (vii) one representative of ~~energy~~ electric suppliers;

13 (viii) one representative of aggregators;

14 (ix) one representative of an advocate for low-income electric  
15 customers; and

16 ~~(viii)~~ (x) one representative of a nonprofit environmental  
17 organization headquartered in Maryland.

18 (4) (i) one representative of the Public Service Commission designated  
19 by the Chairman of the Public Service Commission;

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

22 (iii) one representative of the Maryland Department of the  
23 Environment designated by the Secretary of the Environment;

24 (iv) one representative of the Maryland Energy Administration  
25 designated by the Director of the Maryland Energy Administration; and

26 (v) one representative of the Maryland Department of Business  
27 and Economic Development designated by the Secretary of Business and Economic  
28 Development.

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

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

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

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

3 (f) The Committee shall:

4 (1) examine and evaluate:

5 (i) the status of electric customer choice and competition in the  
6 State; and

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

10 (2) advise the General Assembly by:

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

13 (ii) submitting an annual report to the Governor and, subject to §  
14 2-1246 of the State Government Article, the General Assembly on or before December  
15 31 of each year with its findings and recommendations for legislative changes to the  
16 Electric Customer Choice and Competition Act.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 July 1, 2002. It shall remain effective for a period of 2 years and, at the end of June  
19 30, 2004, with no further action required by the General Assembly, this Act shall be  
20 abrogated and of no further force and effect.