

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

House Bill 12 (Delegate Stern)
 Environmental Matters

Public Service Commission - Proceedings - Scope and Time Limitations

This bill allows a complaint to be filed against any person with the Public Service Commission (PSC) that alleges a violation of a provision of public utility company law, or a PSC regulation or order, and imposes time constraints on specified actions in the resolution of the complaint.

Fiscal Summary

State Effect: FY 2003 PSC general fund expenditures could increase by \$160,100 for additional staff positions. Revenues would be unaffected. Out-years reflect annualization and inflation. General fund expenditures made for the benefit of PSC are reimbursed through assessments on public service companies.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	160,100	202,300	211,600	221,500	232,000
Net Effect	(\$160,100)	(\$202,300)	(\$211,600)	(\$221,500)	(\$232,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The bill allows a complaint to be filed with PSC against any person who allegedly violates any provision of the Public Utility Companies Article, or any PSC order or regulation.

If the complaint states on its face a violation of the article, or if further explanation is needed, PSC, within ten days, must serve a copy of the complaint on the person who is the subject of the complaint, and issue an order stating the time period in which the person must respond. Unless a complaint is voluntarily satisfied or dismissed by PSC, PSC must take final action within 70 days after the complaint is filed.

If the complaint is not satisfied or dismissed, both the person filing the complaint and the person that is the subject of the complaint are entitled to a contested case hearing. In a contested case proceeding, PSC must issue a decision and order within 60 days after the close of the record.

Current Law: Any person may file a complaint with PSC alleging a violation of public utility company law (not a PSC regulation or order) by a public service company (not any person).

PSC is not under statutory timeframes for notifying the subject of a complaint if the complaint states on its face a violation of the article or if further explanation is needed, nor must PSC issue a final action within a statutory timeframe in a complaint proceeding that is not voluntarily satisfied or dismissed.

Only the “person” that is the subject of the complaint, which must be a public service company, is entitled to a contested case hearing, and there is no statutory timeframe within which PSC must issue a decision and order at the close of the record in a contested case proceeding.

State Fiscal Effect: General fund expenditures could increase by an estimated \$160,124 in fiscal 2003, which accounts for the bill’s October 1, 2002 effective date. This estimate reflects the cost of hiring one staff attorney, one hearing examiner, one regulatory economist, and one administrative specialist to handle the requirements of the bill. PSC advises that the bill would result in a significant increase in the number of complaints filed and hearings held. Additional staff would be needed to handle the work associated with this increase as well as additional work that would be generated by the statutory deadlines contained in the bill. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$144,184
Equipment	10,600
Operating Expenses	<u>5,340</u>
Total FY 2003 State Expenditures	\$160,124

Future year expenditures reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of Administrative Hearings, Public Service Commission, Office of People's Counsel, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2002
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