

**Department of Legislative Services**

Maryland General Assembly

2002 Session

**FISCAL NOTE****Revised**

Senate Bill 894

(Senator Bromwell)

Finance

Environmental Matters

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

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This bill establishes a 23-member joint oversight committee to examine and evaluate the status of electric customer choice and competition in the State, and whether legislative changes are needed to achieve the goals of the Electric Customer Choice and Competition Act of 1999. Committee members are entitled to reimbursement for expenses pursuant to the standard State travel regulations. The Department of Legislative Services (DLS) will provide staff support for the committee, and a report with findings and recommendations must be submitted to the Governor and the General Assembly each year by December 31.

The bill takes effect July 1, 2002 and sunsets on June 30, 2004.

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**Fiscal Summary**

**State Effect:** Any expense reimbursements for task force members and staffing costs for DLS are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** None applicable.

**Background:** As governed by provisions of the Electric Customer Choice and Competition Act of 1999, electric deregulation in Maryland is being phased in over a period of years. Since passage of the act, the national electric deregulation landscape has changed dramatically. In addition to the critical failures in California's move from a regulated to deregulated electric market, the recent collapse of Enron -- which created the new business model for deregulated energy markets -- marked the biggest bankruptcy scandal in history. Most recently, in January 2002 the Office of the People's Counsel, which in 1999 disputed the Mid-Atlantic Power Supply Association's challenges to the fairness and openness of competition under Maryland's deregulation legislation, released a report that was critical of the accomplishments of deregulation in the State.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1440 (Delegates Hurson and Hecht) - Environmental Matters.

**Information Source(s):** Public Service Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - March 20, 2002  
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