

BY: Senator Pipkin

AMENDMENTS TO SENATE BILL NO. 869

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “Regulation -” insert “Standard Offer Service and”; in line 3, strike “- Maryland Renewable Energy Fund”; and in line 4, after “of” insert “prohibiting an electric company in any year in which the electric company has an obligation to provide standard offer service under a Public Service Commission order from increasing the rate for electricity charged to residential customers by more than a certain percent; allowing an electric company to recover the portion of the total rate that exceeds a certain limit through a standard offer service transition charge over a certain period; prohibiting a certain charge from being included in a determination of an electric company's increase in the total rate in any year exceeds a certain limit; requiring that a certain rate increase be included in a determination of whether an electric company's increase in the total rate in any year exceeds a certain limit; requiring the Commission, by regulation or order, to adopt certain procedures; prohibiting the Commission from allowing the recovery of more than a certain portion of the standard offer service transition charge in any one year; requiring the standard offer service transition charge to be separately stated on bills to customers;”.

On page 2, in line 4, after “to” insert “standard offer service and”; and in line 19, after “Section” insert “7-510.1; and”.

AMENDMENT NO. 2

On page 3, after line 12, insert:

“7-510.1.

(A) IN THIS SECTION, “STANDARD OFFER SERVICE TRANSITION CHARGE” MEANS THE RATE OR CHARGE AUTHORIZED BY THE COMMISSION FOR THE RECOVERY OF STANDARD OFFER SERVICE COSTS UNDER THIS SECTION.

(Over)

(B) IN ANY YEAR IN WHICH AN ELECTRIC COMPANY HAS AN OBLIGATION TO PROVIDE STANDARD OFFER SERVICE UNDER A COMMISSION ORDER, THE ELECTRIC COMPANY MAY NOT CHARGE RESIDENTIAL CUSTOMERS A TOTAL RATE FOR ELECTRICITY THAT EXCEEDS THE PREVIOUS YEAR'S RATE BY MORE THAN 10%.

(C) IN ANY YEAR IN WHICH AN ELECTRIC COMPANY IS PROHIBITED FROM INCREASING THE TOTAL RATE TO RESIDENTIAL CUSTOMERS BY MORE THAN 10%, THE ELECTRIC COMPANY MAY RECOVER FROM RESIDENTIAL CUSTOMERS THE PORTION OF THE TOTAL RATE THAT EXCEEDS THE 10% LIMIT THROUGH A STANDARD OFFER SERVICE TRANSITION CHARGE OVER A 4-YEAR PERIOD BEGINNING 1 YEAR AFTER THE INCREASE IN THE TOTAL RATE.

(D) (1) ANY STANDARD OFFER SERVICE TRANSITION CHARGE RECOVERED DURING A YEAR MAY NOT BE INCLUDED IN A DETERMINATION OF WHETHER AN ELECTRIC COMPANY'S INCREASE IN THE TOTAL RATE IN ANY YEAR EXCEEDS THE 10% LIMIT.

(2) ANY DISTRIBUTION OR TRANSMISSION RATE INCREASE FOR A YEAR APPROVED BY THE COMMISSION, WHETHER APPROVED UNDER A SETTLEMENT AGREEMENT OR A RATE PROCEEDING, SHALL BE INCLUDED IN A DETERMINATION OF WHETHER AN ELECTRIC COMPANY'S INCREASE IN THE TOTAL RATE IN ANY YEAR EXCEEDS THE 10% LIMIT.

(E) (1) BY REGULATION OR ORDER, THE COMMISSION SHALL ADOPT PROCEDURES TO IMPLEMENT THIS SECTION, INCLUDING THE CREATION OF A FORMULA FOR THE RECOVERY FROM RESIDENTIAL CUSTOMERS OF THE STANDARD OFFER SERVICE TRANSITION CHARGE OVER A 4-YEAR PERIOD.

(2) THE COMMISSION MAY NOT ALLOW THE RECOVERY OF MORE THAN 25% OF THE STANDARD OFFER SERVICE TRANSITION CHARGE IN ANY 1 YEAR.

(F) THE STANDARD OFFER SERVICE TRANSITION CHARGE SHALL BE SEPARATELY STATED ON BILLS TO CUSTOMERS.”.