
By: **Senators Teitelbaum, Dyson, Exum, Frosh, Giannetti, Gladden, and Pinsky**

Introduced and read first time: February 6, 2004

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities - Electric Company Reimbursement to Ratepayers for Power**
3 **Outages**

4 FOR the purpose of authorizing the Public Service Commission to order an electric
5 company that is unable to distribute electricity to reimburse nonresidential and
6 residential ratepayers up to a certain amount for certain losses sustained by the
7 ratepayers; requiring certain ratepayers to submit a reimbursement request,
8 within a certain time frame and on a form developed by the Commission, that
9 includes the amount of reimbursement requested and evidence of the loss
10 sustained; requiring the Commission within a certain time to notify certain
11 ratepayers of the Commission's decision to approve, partially approve, or
12 disapprove a request for reimbursement; requiring the Commission to inform
13 certain ratepayers of the reason why a request for reimbursement was partially
14 approved or disapproved; requiring certain electric companies to provide certain
15 information to the Commission regarding certain ratepayers affected by the
16 inability of an electric company to distribute electricity within a certain time
17 frame; prohibiting an electric company from charging certain reimbursement
18 expenses to certain ratepayers; and generally relating to electric company
19 reimbursement to ratepayers for power outages.

20 BY adding to
21 Article - Public Utility Companies
22 Section 2-117.1
23 Annotated Code of Maryland
24 (1998 Volume and 2003 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Public Utility Companies

2 2-117.1.

3 (A) IN THE EVENT THAT AN ELECTRIC COMPANY IS UNABLE TO DISTRIBUTE
4 ELECTRICITY TO ITS RATEPAYERS FOR MORE THAN 24 HOURS, THE COMMISSION
5 MAY ORDER THE ELECTRIC COMPANY TO COMPENSATE:

6 (1) A NONRESIDENTIAL RATEPAYER UP TO \$100 PER DAY FOR LOSS OF
7 BUSINESS; AND

8 (2) A RESIDENTIAL RATEPAYER UP TO \$200 FOR THE LOSS OF ANY
9 PERISHABLE SUBSTANCE THAT IS INTENDED FOR CONSUMPTION AS FOOD.

10 (B) TO BE ELIGIBLE FOR REIMBURSEMENT UNDER SUBSECTION (A) OF THIS
11 SECTION, A NONRESIDENTIAL OR RESIDENTIAL RATEPAYER SHALL SUBMIT, WITHIN
12 THE TIME FRAME DETERMINED BY THE COMMISSION AND ON A FORM DEVELOPED
13 BY THE COMMISSION, A REQUEST FOR REIMBURSEMENT THAT DETAILS THE
14 AMOUNT OF REIMBURSEMENT REQUESTED AND THAT INCLUDES REASONABLE
15 EVIDENCE OF THE LOSS SUSTAINED.

16 (C) (1) WITHIN 60 DAYS OF RECEIVING A REQUEST FOR REIMBURSEMENT
17 UNDER SUBSECTION (B) OF THIS SECTION, THE COMMISSION SHALL NOTIFY IN
18 WRITING A NONRESIDENTIAL OR RESIDENTIAL RATEPAYER OF THE COMMISSION'S
19 DECISION TO APPROVE, PARTIALLY APPROVE, OR DISAPPROVE A REQUEST FOR
20 REIMBURSEMENT.

21 (2) IF THE COMMISSION PARTIALLY APPROVES OR DISAPPROVES A
22 REQUEST FOR REIMBURSEMENT, THE COMMISSION SHALL INFORM THE
23 NONRESIDENTIAL OR RESIDENTIAL RATEPAYER OF THE BASIS FOR THE DECISION
24 TO PARTIALLY APPROVE OR DISAPPROVE THE REQUEST FOR REIMBURSEMENT.

25 (D) IN ORDER FOR THE COMMISSION TO DETERMINE ELIGIBILITY FOR
26 COMPENSATION UNDER SUBSECTION (A) OF THIS SECTION, AN ELECTRIC COMPANY
27 SHALL PROVIDE THE COMMISSION WITH ANY INFORMATION REQUIRED BY THE
28 COMMISSION ON THE NONRESIDENTIAL AND RESIDENTIAL RATEPAYERS AFFECTED
29 FOR MORE THAN 48 HOURS BY THE ELECTRIC COMPANY'S INABILITY TO DISTRIBUTE
30 ELECTRICITY.

31 (E) AN ELECTRIC COMPANY SUBJECT TO THIS SECTION MAY NOT CHARGE
32 OFF REIMBURSEMENT EXPENSES UNDER SUBSECTION (A) OF THIS SECTION AGAINST
33 ITS NONRESIDENTIAL OR RESIDENTIAL RATEPAYERS.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 October 1, 2004.