

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 1102

(Senator Hollinger, *et al.*)

Finance

Economic Matters

Public Service Commission

This emergency bill alters the appointment process for members of the Public Service Commission (PSC). PSC board members are appointed as follows: two appointed by the President of the Senate; two appointed by the Speaker of the House of Delegates; and one appointed by the Governor. The terms of the new commissioners begin on April 10, 2006 with staggering expirations, and the terms of the current commissioners expire April 9, 2006. From among the commissioners, the commissioners will elect the chairman.

Fiscal Summary

State Effect: None. Altering the appointment process of board members would not affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: PSC board members are appointed by the Governor with the advice and consent of the Senate. The chairman is also appointed by the Governor.

Background: PSC is an independent unit of the Executive Branch of State government. Its mission is to promote adequate, safe, reliable, and economic delivery of services to Maryland consumers by public service companies. In 1910, the General Assembly

established PSC to regulate public utilities and certain passenger transportation companies doing business in Maryland.

PSC regulates gas, electric, telephone, water, and sewage disposal companies. Also subject to the jurisdiction of PSC are electricity suppliers, fees for pilotage services to vessels, construction of a generating station and certain common carriers engaged in the transportation for hire of persons. The PSC's jurisdiction extends to taxicabs operating in the City of Baltimore, Baltimore County, Cumberland, and Hagerstown.

PSC is empowered to hear and decide matters relating to: (1) rate adjustments; (2) applications to exercise or abandon franchises; (3) applications to modify the type or scope of service; (4) approval of issuance of securities; (5) promulgation of new rules and regulations; and (6) quality of utility and common carrier service. PSC has the authority to issue a Certificate of Public Convenience and Necessity in connection with an electric utility's application to construct or modify a new generating station or high-voltage transmission lines.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 27, 2006
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Analysis by: Karen S. Benton

Direct Inquiries to:
(410) 946-5510
(301) 970-5510