## **Department of Legislative Services**

Maryland General Assembly 2007 Session

## FISCAL AND POLICY NOTE Revised

Senate Bill 491

(Senator Britt)

Finance

**Economic Matters** 

### Public Utility Companies - Electric Universal Service Program - Residential Tenants and Condominium Owners - Study

This bill requires the Public Service Commission (PSC), the Office of Home Energy Programs in the Department of Human Resources, and the Office of People's Counsel to meet and discuss options for expanding the Electric Universal Service Program (EUSP) to include assistance to low-income residential tenants of apartments and low-income residential condominium owners who are not actual customers of an electric company.

The agencies must consider, among others: the impact on the EUSP funding level; how to determine the amount of assistance for tenants and owners who are served by a master meter or by a sub-meter; how to ensure that the tenants and owners benefit directly from the assistance; administrative and legislative changes needed; and how outreach programs can be put in place to encourage landlords of apartments and condominium associations to competitively shop for electricity supply services. Findings and recommendations are due to the Senate Finance Committee and the House Economic Matters Committee by October 1, 2007.

The bill takes effect July 1, 2007.

# **Fiscal Summary**

State Effect: The requirements of this bill could be handled with existing resources.

Local Effect: None.

**Small Business Effect:** None.

#### **Analysis**

**Current Law:** The EUSP assists low-income *electric customers* with their current and past due electric bills, and energy efficiency measures to reduce future electric bills. The Electric Customer Choice Act of 1999 authorized PSC to establish the program, make it available to low-income electric customers statewide and provide administrative oversight to Office of Home Energy Programs, the agency within the Department of Human Resources responsible for program delivery.

A *retail electric customer* is defined as a purchaser of electricity and excludes an occupant of a building in which the owner/operator or lessee/operator manages the internal distribution system serving the building and supplies electricity and electricity supply services solely to occupants of the building for use by the occupants.

**Background:** In fiscal 2006, approximately 83,900 households received assistance through EUSP, with annual funding totaling \$34.4 million. The average household received \$410 to assist with current utility bills and \$435 for past due bills.

#### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

Information Source(s): Public Service Commission, Office of People's Counsel,

Department of Legislative Services

**Fiscal Note History:** First Reader - March 4, 2007

ncs/hlb Revised - Senate Third Reader - April 2, 2007

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