

SB0205/757577/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 205
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “year;” insert “requiring the Public Service Commission to make certain calculations each year and to report those calculations to the General Assembly each year as part of its annual report;”; in the same line, strike “small” and substitute “certain”; in line 8, strike “Public Service”; in line 11, strike “measures” and substitute “programs”; strike beginning with “requiring” in line 18 down through “customers;” in line 20 and substitute “requiring the Commission to monitor and analyze the impact of certain programs and services; requiring the Commission to direct the electric companies to include certain information in a certain annual update;”; in line 24, after “implementation;” insert “authorizing the Commission to impose a certain special assessment on certain electric companies for a certain fiscal year; authorizing amounts collected from a special assessment to be expended in accordance with an approved budget amendment for certain expenses; stating the intent of the General Assembly that the annual State budget beginning in a certain fiscal year include certain amounts for the implementation of this Act; requiring, on or before a certain date, the Administration to review the anticipated achievement of certain goals for a certain purpose and, after providing opportunity for public comment, report its findings to certain committees; requiring the Administration, on or before a certain date, to study the feasibility of setting certain targets for natural gas companies and, after providing opportunity for public comment, report its findings to certain committees;”; in line 25, strike “measures” and substitute “programs”; and strike line 28 in its entirety and substitute “Section 7-211”.

On page 2, strike in their entirety lines 2 through 6, inclusive.

AMENDMENT NO. 2

(Over)

On page 2, in line 13, after “(2)” insert “DEMAND RESPONSE PROGRAM” MEANS A PROGRAM ESTABLISHED BY AN ELECTRIC COMPANY THAT PROMOTES CHANGES IN ELECTRIC USAGE BY CUSTOMERS FROM THEIR NORMAL CONSUMPTION PATTERNS IN RESPONSE TO:

(I) CHANGES IN THE PRICE OF ELECTRICITY OVER TIME;

OR

(II) INCENTIVES DESIGNED TO INDUCE LOWER ELECTRICITY USE AT TIMES OF HIGH WHOLESALE MARKET PRICES OR WHEN SYSTEM RELIABILITY IS JEOPARDIZED.

(3) “ELECTRICITY CONSUMPTION” AND “ELECTRICITY CONSUMED” MEAN THE SUM OF RETAIL ELECTRICITY SALES TO ALL CUSTOMERS AND REPORTED ELECTRICITY LOSSES WITHIN THE ELECTRIC DISTRIBUTION SYSTEM.

(4);

in line 16, strike “(3)” and substitute “(5) “PER CAPITA ELECTRICITY CONSUMPTION” MEANS THE RESULT CALCULATED BY DIVIDING THE TOTAL GIGAWATT-HOURS OF ELECTRICITY CONSUMED BY ELECTRICITY CUSTOMERS IN THE STATE AS OF DECEMBER 31 OF A YEAR, AS DETERMINED BY THE COMMISSION, BY THE POPULATION OF THE STATE AS OF DECEMBER 31 OF THAT YEAR, AS DETERMINED BY THE DEPARTMENT OF PLANNING.

(6);

in line 23, after “EFFICIENCY” insert “, CONSERVATION, AND DEMAND RESPONSE”;
in line 27, after “IN” insert “PER CAPITA”; after line 28, insert:

“(C) BEGINNING WITH THE 2008 CALENDAR YEAR AND EACH YEAR THEREAFTER, THE COMMISSION SHALL CALCULATE:

(1) THE PER CAPITA ELECTRICITY CONSUMPTION FOR THAT YEAR; AND

(2) THE PEAK DEMAND FOR THAT YEAR.”;

in line 29, strike “(C)” and substitute “**(D)**”.

On page 3, in line 1, strike “(D)” and substitute “**(E)**”; in line 2, strike “SMALL RURAL” and substitute “**EACH**”; in the same line, after “COOPERATIVE” insert “**THAT SERVES A POPULATION OF LESS THAN 250,000 IN ITS SERVICE TERRITORY**”; in the same line, strike “THESE” and substitute “**ENERGY EFFICIENCY AND CONSERVATION**”; in line 4, strike “(E)” and substitute “**(F)**”; in line 15, strike “(F)” and substitute “**(G)**”; in the same line, strike “ON” and substitute “**EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, ON**”; in line 16, after “SHALL” insert “**:**”

(1) TO THE EXTENT THE COMMISSION DETERMINES THAT COST-EFFECTIVE ENERGY EFFICIENCY AND CONSERVATION PROGRAMS AND SERVICES ARE AVAILABLE, FOR EACH AFFECTED CLASS,”;

in line 18, strike “MEASURES” and substitute “**PROGRAMS**”; in line 19, strike “ENERGY” and substitute “**ELECTRICITY**”; strike beginning with “THE” in line 19 down through “A” in line 21 and substitute “**A TARGETED**”; in line 24, strike “A” and substitute “**REQUIRE EACH ELECTRIC COMPANY TO IMPLEMENT A COST-EFFECTIVE DEMAND RESPONSE PROGRAM IN THE ELECTRIC COMPANY’S SERVICE TERRITORY THAT IS DESIGNED TO ACHIEVE A TARGETED**”; in line 25,

(Over)

after “IN” insert “PER CAPITA”; strike in their entirety lines 28 through 31, inclusive, and substitute:

“(H) (1) (I) ON OR BEFORE JULY 1, 2008, AND EVERY 3 YEARS THEREAFTER, AN ELECTRIC COMPANY SHALL CONSULT WITH THE MARYLAND ENERGY ADMINISTRATION REGARDING THE DESIGN AND ADEQUACY OF ITS PLAN TO ACHIEVE THE ELECTRICITY SAVINGS AND DEMAND REDUCTION TARGETS SPECIFIED IN SUBSECTION (G) OF THIS SECTION.

“(II) AN ELECTRIC COMPANY SHALL PROVIDE THE MARYLAND ENERGY ADMINISTRATION WITH ANY ADDITIONAL INFORMATION REGARDING THE PLAN THAT THE ADMINISTRATION REQUESTS.

(2) ON OR BEFORE SEPTEMBER 1, 2008, AND EVERY 3 YEARS THEREAFTER, AN ELECTRIC COMPANY SHALL SUBMIT ITS PLAN TO THE COMMISSION THAT DETAILS THE ELECTRIC COMPANY’S PROPOSALS FOR ACHIEVING THE ELECTRICITY SAVINGS AND DEMAND REDUCTION TARGETS SPECIFIED IN SUBSECTION (G) OF THIS SECTION FOR THE 3 SUBSEQUENT CALENDAR YEARS.

(3) THE COMMISSION SHALL CONSIDER ANY WRITTEN FINDINGS PROVIDED BY THE MARYLAND ENERGY ADMINISTRATION REGARDING THE DESIGN AND ADEQUACY OF THE PLAN.”;

in line 32, strike “(II)” and substitute “(4)”; in line 33, after “COMMISSION” insert “AND THE MARYLAND ENERGY ADMINISTRATION”; and in line 35, strike “(F)” and substitute “(G)”.

On page 4, strike in their entirety lines 1 through 5, inclusive; in line 6, strike “(3)” and substitute “(5)”; in the same line, strike “THE” and substitute “THE PROPOSED ENERGY EFFICIENCY AND CONSERVATION PROGRAMS AND SERVICES AND THE PROPOSED DEMAND RESPONSE”; in line 10, after “APPROPRIATE” insert “, INCLUDING LOW-INCOME COMMUNITIES AND LOW- TO MODERATE- INCOME COMMUNITIES”; strike in their entirety lines 11 through 15, inclusive; in line 16, strike “(5)” and substitute “(6)”; in line 19, strike “(F)” and substitute “(G)”; strike in their entirety lines 20 through 22, inclusive, and substitute:

“(I) (1) IN DETERMINING WHETHER A PROGRAM OR SERVICE ENCOURAGES AND PROMOTES THE EFFICIENT USE AND CONSERVATION OF ENERGY, THE COMMISSION SHALL CONSIDER:

(I) THE IMPACT ON JOBS;

(II) THE IMPACT ON THE ENVIRONMENT;

(III) THE IMPACT ON RATES OF EACH RATEPAYER CLASS;

AND

(IV) THE COST-EFFECTIVENESS.

(2) THE COMMISSION SHALL MONITOR AND ANALYZE THE IMPACT OF EACH PROGRAM AND SERVICE TO ENSURE THAT THE OUTCOME OF EACH PROGRAM AND SERVICE PROVIDES THE BEST POSSIBLE RESULTS.

(3) IN MONITORING AND ANALYZING THE IMPACT OF A PROGRAM OR SERVICE UNDER PARAGRAPH (2) OF THIS SUBSECTION, IF THE COMMISSION FINDS THAT THE OUTCOME OF THE PROGRAM OR SERVICES MAY NOT BE PROVIDING THE BEST POSSIBLE RESULTS, THE COMMISSION SHALL DIRECT THE ELECTRIC COMPANY TO INCLUDE IN ITS ANNUAL UPDATE UNDER

(Over)

SUBSECTION (H)(4) OF THIS SECTION SPECIFIC MEASURES TO ADDRESS THE FINDINGS.

(J) (1) AT LEAST ONCE EACH YEAR, EACH ELECTRIC COMPANY AND GAS COMPANY SHALL NOTIFY AFFECTED CUSTOMERS OF THE ENERGY EFFICIENCY AND CONSERVATION CHARGES IMPOSED AND BENEFITS CONFERRED.

(2) THE NOTICE SHALL BE PROVIDED BY PUBLICATION ON THE COMPANY'S WEBSITE AND INCLUSION WITH BILLING INFORMATION SUCH AS A BILL INSERT OR BILL MESSAGE.;

in line 23, strike “(H)” and substitute “(K)”; in the same line, strike “(1)”; strike beginning with “FEBRUARY” in line 23 down through “THEREAFTER” in line 24 and substitute “**MARCH 1 OF EACH YEAR**”; in lines 27 and 29, strike “(i)” and “(ii)”, respectively, and substitute “(1)” and “(2)”, respectively; in line 28, strike “; and” and substitute “, **INCLUDING AN EVALUATION OF THE IMPACT OF THE PROGRAMS AND SERVICES THAT ARE DIRECTED TO LOW-INCOME COMMUNITIES, LOW- TO MODERATE- INCOME COMMUNITIES TO THE EXTENT POSSIBLE, AND OTHER PARTICULAR CLASSES OF RATEPAYERS;**”; and in line 30, after “services” insert “; **AND**”

(3) IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION, THE PER CAPITA ELECTRICITY CONSUMPTION AND THE PEAK DEMAND FOR THE PREVIOUS CALENDAR YEAR.

AMENDMENT NO. 4

On pages 4 through 6, strike in their entirety lines beginning with line 31 on page 4 through line 2 on page 6, inclusive.

On page 6, after line 10, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) (1) Notwithstanding any other provision of law, for fiscal year 2009 only, in addition to the amounts appropriated in the budget bill for fiscal 2009 and in accordance with § 2-110 of the Public Utility Companies Article, the Public Service Commission may impose up to \$600,000 as a special assessment for the Commission and the Office of People’s Counsel to accomplish the requirements of this Act.

(2) Of the \$600,000 that may be collected under paragraph (1) of this subsection:

(i) up to \$500,000 may be expended in accordance with an approved budget amendment for consultants, personnel, and related expenses of the Commission, as deemed necessary by the Commission to accomplish the requirements of this Act; and

(ii) up to \$100,000 may be expended in accordance with an approved budget amendment for consultants, personnel, and related expenses of the Office of People’s Counsel, as deemed necessary by the Office of People’s Counsel to accomplish the requirements of this Act.

(3) The special assessment shall be imposed only on those electric companies otherwise subject to the assessment under § 2-110 of the Public Utility Companies Article.

(4) The bill sent to each electric company subject to the assessment shall equal the product of multiplying:

(i) the amount authorized to be collected under this subsection;
and

(ii) the ratio of gross operating revenues of the entity subject to the assessment to the total gross operating revenues for all entities subject to the assessment.

(b) It is the intent of the General Assembly that, beginning with fiscal year 2010, the annual State budget include amounts for the Public Service Commission and the Office of People’s Counsel for the implementation of this Act, including consultants, personnel, and related expenses.

SECTION 4. AND BE IT FURTHER ENACTED, That, on or before December 31, 2012, the Maryland Energy Administration, in consultation with the Public Service Commission, shall:

(1) review the anticipated achievement of the goals specified under § 7-211(b)(2) of this Act for purposes of determining whether electricity consumption and peak demand reduction targets should be set beyond 2015; and

(2) after providing opportunity for public comment, report its findings, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee.

SECTION 5. AND BE IT FURTHER ENACTED, That on or before December 31, 2012, the Maryland Energy Administration, in consultation with the Public Service Commission, shall:

(1) study the feasibility of setting energy savings targets in 2015 and 2020 for natural gas companies; and

(2) after providing opportunity for public comment, report its findings, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee.”;

in line 11, strike “3.” and substitute “6.”; and in line 12, strike “July” and substitute “June”.