

**SB0268/807172/1**

BY: Finance Committee

AMENDMENTS TO SENATE BILL 268  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 11, after “purposes;” insert “specifying the allocation of the moneys received each year by the Fund;”; in line 16, after “amendments;” insert “requiring the Administration to develop a certain plan; requiring the Administration to hold a certain public hearing; establishing the Strategic Energy Investment Advisory Board; providing for the membership and charge of the Board; requiring the Administration to monitor and analyze the impact of certain programs, projects, activities, and investments; requiring the Administration to take certain measures based on certain findings; requiring the Administration to disclose certain information regarding certain contracts in a certain manner;”; in line 22, after “terms;” insert “requiring the Administration to submit certain reports to the Governor and the General Assembly by certain dates; altering the circumstances under which certain money in the Maryland Clean Air Fund must be deposited to the General Fund; making certain provisions of this Act contingent on the taking effect of another Act; providing for the initial terms of members of the Strategic Energy Investment Advisory Board;”;

and in line 26, after “(a)” insert “and 7-512.1(f)(2)”.

On page 2, in line 3, strike “7-701(c)” and substitute “7-512.1(f)(3), 7-701(c)”; in line 13, strike “9-20B-07” and substitute “9-20B-12”; and after line 16, insert:

“BY repealing and reenacting, without amendments,

Article – Environment

Section 2-107(a)

Annotated Code of Maryland

(2007 Replacement Volume and 2007 Supplement)

(Over)

BY repealing and reenacting, with amendments,

Article – Environment

Section 2-107(b) and (c)(4)

Annotated Code of Maryland

(2007 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – Environment

Section 2-107(c)(4)

Annotated Code of Maryland

(2007 Replacement Volume and 2007 Supplement)

(As enacted by Section 1 of this Act)”.

AMENDMENT NO. 2

On page 2, after line 19, insert:

“7-512.1.

(f) (2) There is an electric universal service program fund.

(3) (i) 1. The Comptroller shall collect the revenue collected by electric companies under subsection (b) of this section and place the revenue into the fund.

2. The General Assembly may appropriate funds supplemental to the funds collected under sub-subparagraph 1 of this subparagraph.

**3. THE FUND MAY RECEIVE FUNDS TRANSFERRED FROM THE MARYLAND STRATEGIC ENERGY INVESTMENT FUND ESTABLISHED UNDER § 9-20B-05 OF THE STATE GOVERNMENT ARTICLE.**

(ii) The fund is a continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(iii) The purpose of the fund is to assist electric customers as provided in subsection (a)(1) of this section.

On page 6, in line 1, after “(C)” insert “ADVISORY BOARD” MEANS THE STRATEGIC ENERGY INVESTMENT ADVISORY BOARD ESTABLISHED UNDER § 9-20B-07 OF THIS SUBTITLE.

(D);

in line 3, strike “(D)” and substitute “(E)”; and in line 22, strike “PROJECTS” and substitute “PROGRAMS, PROJECTS, ACTIVITIES,”.

On page 7, in line 24, after “(I)” insert “COST-EFFECTIVE”; in line 25, after “ACTIVITIES” insert “, INCLUDING MEASUREMENT AND VERIFICATION OF ENERGY SAVINGS”; and in line 26, strike the second “AND”.

On page 8, in line 1, strike “RESEARCH AND OTHER”; in line 3, after “CHANGE;” insert “AND

(IV) DEMAND RESPONSE PROGRAMS THAT ARE DESIGNED TO PROMOTE CHANGES IN ELECTRIC USAGE BY CUSTOMERS IN RESPONSE TO:

1. CHANGES IN THE PRICE OF ELECTRICITY OVER TIME; OR

2. INCENTIVES DESIGNED TO INDUCE LOWER ELECTRICITY USE AT TIMES OF HIGH WHOLESALE MARKET PRICES OR WHEN SYSTEM RELIABILITY IS JEOPARDIZED;”;

in line 4, after “PROGRAMS” insert “, PROJECTS, ACTIVITIES, AND INVESTMENTS”;  
after line 6, insert:

**“(3) TO PROVIDE SUPPLEMENTAL FUNDS FOR LOW-INCOME ENERGY ASSISTANCE TO THE ELECTRIC UNIVERSAL SERVICE PROGRAM FUND UNDER THE ELECTRIC UNIVERSAL SERVICE PROGRAM ESTABLISHED UNDER § 7-512.1 OF THE PUBLIC UTILITIES COMPANY ARTICLE;**

**“(4) TO PROVIDE RATE RELIEF BY OFFSETTING ELECTRICITY RATES OF RESIDENTIAL CUSTOMERS, INCLUDING AN OFFSET OF SURCHARGES IMPOSED ON RATEPAYERS UNDER § 7-211 OF THE PUBLIC UTILITY COMPANIES ARTICLE;”;**

in line 7, strike “(3)” and substitute “(5)”; in line 9, after “SUBTITLE;” insert:

**“(6) TO IMPLEMENT ENERGY-RELATED PUBLIC EDUCATION AND OUTREACH INITIATIVES REGARDING REDUCING ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS;”;**

in line 10, strike “(4)” and substitute “(7)”; in line 11, after “(G)” insert “(1) **FOR FISCAL YEARS 2009 THROUGH 2011, MONEYS RECEIVED EACH YEAR BY THE FUND SHALL BE ALLOCATED EACH YEAR AS FOLLOWS:**

**(I) THE GREATER OF 7% OR \$10,000,000 SHALL BE TRANSFERRED TO THE ELECTRIC UNIVERSAL SERVICE PROGRAM FUND; AND**

**(II) THE BALANCE OF THE FUND SHALL BE ALLOCATED AS FOLLOWS:**

**1. 35% TO PROVIDE RATE RELIEF BY OFFSETTING ELECTRICITY RATES OF RESIDENTIAL CUSTOMERS, INCLUDING AN OFFSET OF SURCHARGES IMPOSED ON RATEPAYERS UNDER § 7-211 OF THE PUBLIC UTILITY COMPANIES ARTICLE, ON A PER CUSTOMER BASIS AND IN A MANNER PRESCRIBED BY THE PUBLIC SERVICE COMMISSION;**

**2. AT LEAST 50% FOR ENERGY EFFICIENCY AND CONSERVATION PROGRAMS, PROJECTS, OR ACTIVITIES AND DEMAND RESPONSE PROGRAMS, OF WHICH AT LEAST ONE-HALF SHALL BE TARGETED TO:**

**A. THE LOW-INCOME RESIDENTIAL SECTOR WITH NO COST TO THE PARTICIPANTS OF THE PROGRAMS, PROJECTS, OR ACTIVITIES; AND**

**B. THE MODERATE INCOME RESIDENTIAL SECTOR WITH MINIMAL COST TO THE PARTICIPANTS OF THE PROGRAMS, PROJECTS, OR ACTIVITIES;**

**3. UP TO 11% FOR:**

**A. SUBJECT TO SUBSECTION (H) OF THIS SECTION, RENEWABLE AND CLEAN ENERGY PROGRAMS AND INITIATIVES;**

**B. CLIMATE CHANGE PROGRAMS; AND**

**C. ENERGY-RELATED PUBLIC EDUCATION AND OUTREACH; AND**

**4. UP TO 4% FOR COSTS RELATED TO THE ADMINISTRATION OF THE FUND, INCLUDING THE REVIEW OF ELECTRIC**

(Over)

COMPANY PLANS FOR ACHIEVING ELECTRICITY SAVINGS AND DEMAND REDUCTIONS THAT THE ELECTRIC COMPANIES ARE REQUIRED UNDER LAW TO SUBMIT TO THE ADMINISTRATION.

(2) FOR FISCAL YEARS AFTER 2011, IF THE GENERAL ASSEMBLY DOES NOT TAKE FURTHER ACTION SPECIFYING THE ALLOCATION OF THE FUNDS TO BE USED UNDER THIS SUBTITLE, MONEYS RECEIVED ANNUALLY BY THE FUND SHALL BE ALLOCATED EACH YEAR AS INDICATED IN PARAGRAPH (1) OF THIS SUBSECTION.

(H)”;

and in lines 21 and 31, strike “(H)” and “(I)”, respectively, and substitute “(I)” and “(J)”, respectively.

On page 9, after line 2, insert:

“(K) AN EXPENDITURE BY BUDGET AMENDMENT MAY BE MADE UNDER SUBSECTION (J) OF THIS SECTION ONLY AFTER:

(1) THE ADMINISTRATION HAS SUBMITTED THE PROPOSED BUDGET AMENDMENT AND SUPPORTING DOCUMENTATION TO THE SENATE BUDGET AND TAXATION COMMITTEE, SENATE FINANCE COMMITTEE, HOUSE APPROPRIATIONS COMMITTEE, AND HOME ECONOMIC MATTERS COMMITTEE; AND

(2) THE COMMITTEES HAVE HAD 45 DAYS FOR REVIEW AND COMMENT.”.

AMENDMENT NO. 3

On page 9, after line 3, insert:

**“(A) ON OR BEFORE DECEMBER 15, 2008, THE ADMINISTRATION SHALL DEVELOP A PLAN FOR EXPENDITURES FROM THE FUND FOR FISCAL YEAR 2009 AND FISCAL YEAR 2010.**

**(B) ON OR BEFORE SEPTEMBER 1, 2009, AND EVERY 3 YEARS THEREAFTER, THE ADMINISTRATION SHALL DEVELOP A PLAN FOR EXPENDITURES COVERING THE NEXT 3 FISCAL YEARS.**

**(C) THE ADMINISTRATION SHALL:**

**(1) HOLD A PUBLIC MEETING IN CONJUNCTION WITH THE DEVELOPMENT OF A PLAN; AND**

**(2) SUBMIT THE PLAN TO THE ADVISORY BOARD FOR REVIEW.**

**9-20B-07.**

**(A) THERE IS A STRATEGIC ENERGY INVESTMENT ADVISORY BOARD.**

**(B) (1) THE ADVISORY BOARD SHALL REVIEW THE PROGRAM AND THE ADMINISTRATION’S PROPOSED USES OF AND EXPENDITURES FROM THE FUND AND MAKE RECOMMENDATIONS TO THE ADMINISTRATION CONCERNING ANY PROPOSED USE OR EXPENDITURE.**

**(2) THE ADMINISTRATION SHALL CONSIDER THE ADVISORY BOARD’S RECOMMENDATIONS WHEN MAKING DECISIONS ABOUT USES AND EXPENDITURES FROM THE FUND.**

(Over)

**(C) THE ADVISORY BOARD SHALL CONSIST OF THE FOLLOWING MEMBERS:**

**(1) ONE MEMBER OF THE SENATE, APPOINTED BY THE PRESIDENT OF THE SENATE;**

**(2) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES;**

**(3) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:**

**(I) A REPRESENTATIVE OF MARYLAND RESIDENTIAL CUSTOMERS;**

**(II) A REPRESENTATIVE OF MARYLAND COMMERCIAL CUSTOMERS;**

**(III) A REPRESENTATIVE OF LARGE ELECTRICITY USERS IN THE STATE;**

**(IV) A REPRESENTATIVE OF AN ELECTRIC COMPANY;**

**(V) A REPRESENTATIVE OF ELECTRICITY SUPPLIERS;**

**(VI) A REPRESENTATIVE OF A MARYLAND ENVIRONMENTAL GROUP; AND**

**(VII) A REPRESENTATIVE OF A RENEWABLE ELECTRICITY INDUSTRY; AND**



**(4) THE FOLLOWING NONVOTING EX OFFICIO MEMBERS:**

**(I) THE CHAIRMAN OF THE PUBLIC SERVICE COMMISSION OR THE CHAIRMAN'S DESIGNEE;**

**(II) THE PEOPLE'S COUNSEL OR THE DESIGNEE OF THE OFFICE OF PEOPLE'S COUNSEL;**

**(III) THE SECRETARY OF THE ENVIRONMENT OR THE SECRETARY'S DESIGNEE; AND**

**(IV) THE DIRECTOR OF THE ADMINISTRATION OR THE DIRECTOR'S DESIGNEE.**

**(D) IF A REGULATED LOBBYIST IS APPOINTED TO SERVE AS A MEMBER OF THE ADVISORY BOARD, THE LOBBYIST:**

**(1) IS NOT SUBJECT TO § 15-504(D) OF THE STATE GOVERNMENT ARTICLE WITH RESPECT TO THAT SERVICE; AND**

**(2) IS NOT SUBJECT TO § 15-703(F)(3) OF THE STATE GOVERNMENT ARTICLE AS A RESULT OF THAT SERVICE.**

**(E) (1) THE TERMS OF A MEMBER APPOINTED BY THE GOVERNOR IS 3 YEARS.**

**(2) THE TERMS OF THE MEMBERS APPOINTED BY THE GOVERNOR ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE ADVISORY BOARD ON JUNE 1, 2008.**

(Over)

**(3) THE ADVISORY BOARD SHALL MEET AT LEAST 2 TIMES EACH YEAR.**

**(4) A MEMBER OF THE ADVISORY BOARD:**

**(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY BOARD; BUT**

**(II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STATE STANDARD TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

**(F) THE ADMINISTRATION SHALL PROVIDE STAFF SUPPORT FOR THE ADVISORY BOARD.**

**9-20B-08.**

**(A) THE ADMINISTRATION REGULARLY SHALL DISCLOSE SUMMARY INFORMATION REGARDING ANY CONTRACT ENTERED INTO BY THE ADMINISTRATION THAT ENCUMBERS \$100,000 OR MORE FROM THE FUND.**

**(B) FOR EACH OF THE CONTRACTS SPECIFIED UNDER SUBSECTION (A) OF THIS SECTION, THE FOLLOWING INFORMATION SHALL BE POSTED ON THE ADMINISTRATION'S WEBSITE ON A QUARTERLY BASIS:**

**(1) THE NAME AND BUSINESS ADDRESS OF THE PARTIES OF THE CONTRACT;**

**(2) A SUMMARY OF THE GOODS AND SERVICES TO BE PROVIDED UNDER THE CONTRACT; AND**

**(3) THE MAXIMUM AMOUNT OF MONEYS FROM THE FUND THAT MAY BE OBLIGATED BY THE CONTRACT.**

**9-20B-09.**

**(A) THE ADMINISTRATION SHALL MONITOR AND ANALYZE THE IMPACT OF EACH PROGRAM, PROJECT, ACTIVITY, AND INVESTMENT TO ENSURE THAT THE OUTCOME OF EACH PROGRAM, PROJECT, ACTIVITY, OR INVESTMENT PROVIDES THE BEST POSSIBLE RESULTS.**

**(B) IN MONITORING AND ANALYZING THE IMPACT OF A PROGRAM, PROJECT, ACTIVITY, OR INVESTMENT UNDER SUBSECTION (A) OF THIS SECTION, IF THE ADMINISTRATION FINDS THAT THE OUTCOME OF THE PROGRAM, PROJECT, ACTIVITY, OR INVESTMENT MAY NOT BE PROVIDING THE BEST POSSIBLE RESULTS, THE ADMINISTRATION SHALL TAKE SPECIFIC MEASURES TO ADDRESS THE FINDINGS.**

**9-20B-10.**”;

in line 5, after “DEVELOPMENT” insert “AND IMPLEMENTATION”; and in line 10, strike “**9-20B-07.**” and substitute “**9-20B-11.**”.

**AMENDMENT NO. 4**

On page 9, after line 23, insert:

**“9-20B-12.**

**(A) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE ADMINISTRATION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF**

(Over)

THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON THE USES AND EXPENDITURES OF THE FUND FROM THE PRIOR FISCAL YEAR.

(B) THE REPORT SHALL INCLUDE:

(1) A DETAILED ACCOUNTING OF ALL AMOUNTS RECEIVED BY AND DISBURSED FROM THE FUND;

(2) ALL AMOUNTS USED BY THE ADMINISTRATION FOR ADMINISTRATIVE PURPOSES;

(3) THE STATUS OF PROGRAMS, PROJECTS, ACTIVITIES, AND INVESTMENTS IMPLEMENTED WITH FUNDS FROM THE FUND, INCLUDING AN EVALUATION OF THE IMPACT OF THE PROGRAMS, PROJECTS, ACTIVITIES, AND INVESTMENTS THAT ARE DIRECTED TO LOW-INCOME OR MODERATE-INCOME RESIDENTIAL SECTORS OR TO OTHER PARTICULAR CLASSES OF RATEPAYERS;

(4) AN ESTIMATE OF ELECTRICITY SAVINGS FROM THE PROGRAMS, PROJECTS, ACTIVITIES, AND INVESTMENTS;

(5) THE NUMBER OF ALLOWANCES SOLD IN EACH AUCTION;

(6) THE AVERAGE ALLOWANCE PRICE FROM EACH AUCTION;

(7) AN ESTIMATE OF REVENUE FROM FUTURE AUCTIONS; AND

(8) RECOMMENDATIONS FOR CHANGES TO THE ALLOCATION OF FUNDS UNDER § 9-20B-05 (G) OF THIS SUBTITLE.

2-107.

(a) There is a Maryland Clean Air Fund.

(b) All application fees, permit fees, renewal fees, and funds collected by the Department under this title, [or] Title 6, Subtitle 4 of this article, **OR PURSUANT TO TITLE 9 OF THE STATE GOVERNMENT ARTICLE**, including any civil or administrative penalty or any fine imposed by a court under these provisions, shall be paid into the Maryland Clean Air Fund.

(c) (4) When the Fund equals or exceeds a maximum limit of ~~[\$750,000]~~ **\$2,000,000**, additional moneys received for the Fund by the Department shall be deposited to the General Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Environment

2-107.

(c) (4) (I) [When] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH**, WHEN the Fund equals or exceeds a maximum limit of \$2,000,000, additional moneys received for the Fund by the Department shall be deposited to the General Fund.

(II) **IF THE SECRETARY DETERMINES THAT ADDITIONAL MONEY IS NECESSARY TO IMPLEMENT THE REQUIREMENTS OF SUBTITLE 12 OF THIS TITLE, ADDITIONAL MONEY MAY BE RETAINED IN THE FUND UP TO A MAXIMUM LIMIT OF \$5,000,000, SOLELY FOR PURPOSES OF IMPLEMENTING SUBTITLE 12 OF THIS TITLE.**”;

(Over)

in line 24, strike “2.” and substitute “3.”; after line 28, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That the initial terms of members of the Strategic Energy Investment Advisory Board appointed by the Governor under § 9-20B-06(c)(3) of the State Government Article, as enacted by this Act, expire as follows:

- (1) 2 members on June 30, 2010;
- (2) 2 members on June 30, 2011; and
- (3) 3 members on June 30, 2012.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect contingent on the taking effect of Chapter \_\_\_\_\_ (S.B. 309/H.B. 712) of the Acts of the General Assembly of 2008, and if Chapter \_\_\_\_\_ does not become effective, Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.”;

and in line 29, strike “3.” and substitute “6.”.