

SENATE BILL 417

C5

EMERGENCY BILL

8lr1538
CF HB 608

By: **Senators Edwards, Brinkley, Kittleman, ~~and Munson~~ Munson, and Pipkin**

Introduced and read first time: January 31, 2008

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 2008

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Energy Efficiency and Conservation Programs**
3 **and Services – ~~Prohibition of Surcharge Without Customer Consent~~**
4 **Notification and Report**

5 FOR the purpose of ~~prohibiting the Public Service Commission from approving any~~
6 ~~program or service for the use and conservation of energy that requires or~~
7 ~~allows a gas company or an electric company to provide a product or service to a~~
8 ~~gas customer or an electric customer for which the customer would be charged a~~
9 ~~surcharge without a certain consent; requiring a gas company or an electric~~
10 ~~company under certain circumstances to separately state a certain surcharge~~
11 ~~and clearly describe the purpose of the surcharge on a customer's bill; requiring,~~
12 ~~under certain circumstances, a gas company or an electric company to refund~~
13 ~~the amount of the surcharge or credit the amount of the surcharge; requiring~~
14 electric companies and gas companies to provide certain customers with notice
15 of certain energy efficiency and conservation charges and benefits in a certain
16 manner with a certain frequency; requiring the Public Service Commission to
17 report to the General Assembly on the status of certain energy efficiency and
18 conservation programs on certain dates; making a stylistic change; making this
19 Act an emergency measure; and generally relating to energy efficiency and
20 conservation programs and services approved by the Public Service
21 Commission.

22 BY repealing and reenacting, with amendments,
23 Article – Public Utility Companies
24 Section 7–211
25 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1998 Volume and 2007 Supplement)

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

4 **Article – Public Utility Companies**

5 7–211.

6 (a) Subject to review and approval by the Commission, each gas company
7 and electric company shall develop and implement programs and services to encourage
8 and promote the efficient use and conservation of energy by consumers, gas
9 companies, and electric companies.

10 (b) The Commission shall:

11 (1) require each gas company and electric company to establish any
12 program or service that the Commission deems appropriate and cost effective to
13 encourage and promote the efficient use and conservation of energy;

14 (2) adopt rate-making policies that provide cost recovery and, in
15 appropriate circumstances, reasonable financial incentives for gas companies and
16 electric companies to establish programs and services that encourage and promote the
17 efficient use and conservation of energy; and

18 (3) ensure that adoption of electric customer choice under Subtitle 5 of
19 this title does not adversely impact the continuation of cost effective energy
20 conservation and efficiency programs.

21 (c) ~~(1) THE COMMISSION MAY NOT APPROVE ANY PROGRAM OR~~
22 ~~SERVICE FOR THE USE AND CONSERVATION OF ENERGY THAT REQUIRES OR~~
23 ~~ALLOWS A GAS COMPANY OR AN ELECTRIC COMPANY TO PROVIDE, DIRECTLY OR~~
24 ~~INDIRECTLY, A PRODUCT OR A SERVICE TO A GAS CUSTOMER OR AN ELECTRIC~~
25 ~~CUSTOMER FOR WHICH THE CUSTOMER WOULD BE ASSESSED A SURCHARGE ON~~
26 ~~THE CUSTOMER'S GAS BILL OR ELECTRIC BILL WITHOUT THE PRIOR WRITTEN~~
27 ~~CONSENT OF THE CUSTOMER.~~

28 ~~(2) IF A CUSTOMER CONSENTS TO A SURCHARGE FOR A PRODUCT~~
29 ~~OR A SERVICE FOR THE USE AND CONSERVATION OF ENERGY, THE GAS~~
30 ~~COMPANY OR THE ELECTRIC COMPANY SHALL, ON THE CUSTOMER'S BILL:~~

31 ~~(I) SEPARATELY STATE THE SURCHARGE; AND~~

32 ~~(H) CLEARLY DESCRIBE THE PURPOSE OF THE SURCHARGE~~
33 AT LEAST ONCE EACH YEAR, EACH ELECTRIC COMPANY AND GAS COMPANY

1 SHALL NOTIFY AFFECTED CUSTOMERS OF THE ENERGY EFFICIENCY AND
 2 CONSERVATION CHARGES IMPOSED AND BENEFITS CONFERRED BY:

3 (1) PUBLICATION ON THE COMPANY'S WEBSITE; AND

4 (2) INCLUSION WITH BILLING INFORMATION SUCH AS A BILL
 5 INSERT OR BILL MESSAGE.

6 [(c)] (D) (1) On or before February 1, ~~2001~~, 2009, AND EVERY 2 YEARS
 7 THEREAFTER the Commission, in consultation with the Maryland Energy
 8 Administration, shall report, ~~subject to~~ IN ACCORDANCE WITH § 2-1246 of the State
 9 Government Article, to the General Assembly on:

10 (i) the status of programs and services to encourage and
 11 promote the efficient use and conservation of energy; and

12 (ii) a recommendation for the appropriate funding level to
 13 adequately fund these programs and services.

14 (2) In determining whether a program or service encourages and
 15 promotes the efficient use and conservation of energy, the Commission shall consider,
 16 among other factors:

17 (i) the impact on jobs;

18 (ii) the impact on the environment;

19 (iii) the impact on rates; and

20 (iv) the cost-effectiveness.

21 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, if on or after September~~
 22 ~~1, 2007, a gas company or an electric company has collected any surcharge for a~~
 23 ~~product or a service for the use and conservation of energy without the prior written~~
 24 ~~consent of the customer surcharged, the gas company or the electric company shall~~
 25 ~~refund the amount of the surcharge to the customer or credit the amount of the~~
 26 ~~surcharge to the customer's account.~~

27 SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act is an
 28 emergency measure, is necessary for the immediate preservation of the public health
 29 or safety, has been passed by a yea and nay vote supported by three-fifths of all the
 30 members elected to each of the two Houses of the General Assembly, and shall take
 31 effect from the date it is enacted.