SENATE BILL 954

C5 9lr2310

By: Senator Klausmeier

Introduced and read first time: February 19, 2009

Assigned to: Rules

A BILL ENTITLED

1	AN ACT	concerning
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Electric, Gas, or Gas and Electric Companies - Separation from Other Businesses

- 4 FOR the purpose of requiring the Public Service Commission to require functional, operational, structural, and legal separation between an electric company's 5 6 regulated businesses, a certain parent company, and certain other nonregulated 7 businesses and affiliates by a certain date; providing for the construction of a 8 certain requirement; requiring the Commission to require functional, 9 operational, structural, and legal separation between a gas company's regulated 10 businesses, or a gas and electric company's regulated businesses, a certain 11 parent company, and certain other nonregulated businesses or affiliates; providing for the construction of a certain requirement; and generally relating 12 to the separation between an electric company, gas company, or gas and electric 13 14 company's regulated businesses, any parent company, and certain other 15 nonregulated businesses and affiliates.
- 16 BY repealing and reenacting, with amendments,
- 17 Article Public Utility Companies
- 18 Section 7–505(b)(10) and 7–604
- 19 Annotated Code of Maryland
- 20 (2008 Replacement Volume and 2008 Supplement)
- 21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 22 MARYLAND, That the Laws of Maryland read as follows:

Article - Public Utility Companies

24 7–505.

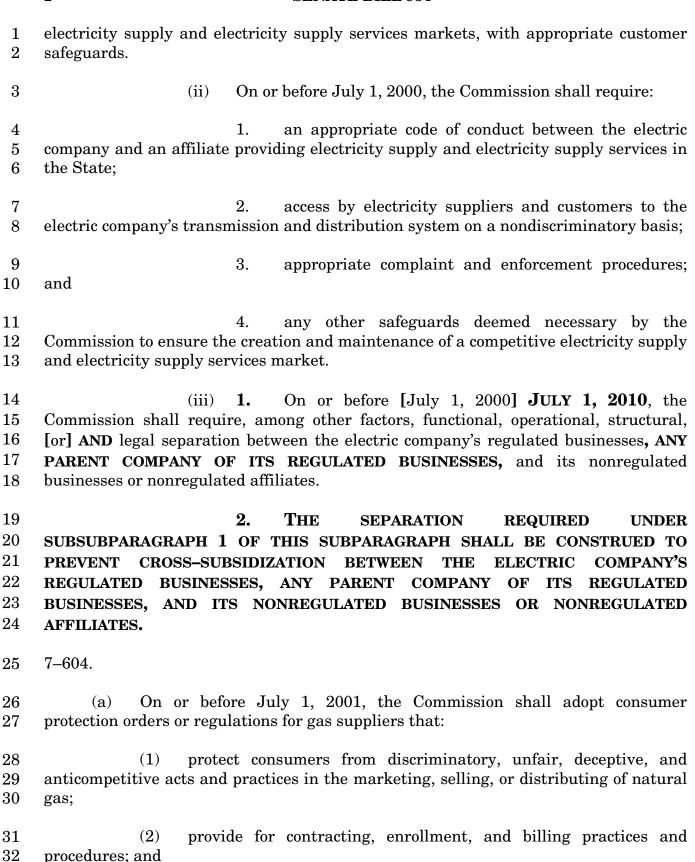
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25 (b) (10) (i) On or before July 1, 2000, the Commission shall issue orders 26 or adopt regulations reasonably designed to ensure the creation of competitive



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(3)



the Commission considers necessary to protect the consumer.

- 1 (b) In adopting orders and regulations under this section, unless the 2 Commission determines that the circumstances do not require consistency, the 3 Commission shall:
- 4 (1) provide customers with protections consistent with applicable protections provided to retail electric customers; and
- 6 (2) impose appropriate requirements on gas suppliers that are consistent with applicable requirements imposed on electricity suppliers.
- 8 (C) (1) ON OR BEFORE JULY 1, 2010, THE COMMISSION SHALL
 9 REQUIRE, AMONG OTHER FACTORS, FUNCTIONAL, OPERATIONAL, STRUCTURAL,
 10 AND LEGAL SEPARATION BETWEEN A GAS COMPANY'S REGULATED BUSINESSES,
 11 OR A GAS AND ELECTRIC COMPANY'S REGULATED BUSINESSES, ANY PARENT
 12 COMPANY OF ITS REGULATED BUSINESSES, AND ITS NONREGULATED
 13 BUSINESSES OR NONREGULATED AFFILIATES.
- 14 (2) THE SEPARATION REQUIRED UNDER PARAGRAPH (1) OF THIS
 15 SUBSECTION SHALL BE CONSTRUED TO PREVENT CROSS-SUBSIDIZATION
 16 BETWEEN THE ELECTRIC COMPANY'S REGULATED BUSINESSES, ANY PARENT
 17 COMPANY OF ITS REGULATED BUSINESSES, AND ITS NONREGULATED
 18 BUSINESSES OR NONREGULATED AFFILIATES.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2009.