

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

House Bill 453
Economic Matters

(Delegate Haynes, *et al.*)

Finance

**Public Service Companies - Termination of Electric and Gas Service - Extreme
Temperatures**

This bill prohibits a public service company from terminating electric or gas service to a residential customer for nonpayment on a day that the forecasted high temperature is 32 degrees Fahrenheit or below in that customer's designated weather station area. In addition, a public service company may not terminate electric service to a customer on a day that the forecasted temperature is 95 degrees Fahrenheit or higher in that customer's designated weather station. Each public service company that provides electric or gas service must designate weather station areas within its service area for use in administering weather-related restrictions on service terminations to residential customers. PSC must adopt regulations to implement the bill.

The bill takes effect June 1, 2009.

Fiscal Summary

State Effect: None. The bill can be implemented within existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Code of Maryland Regulations (COMAR 20.31.03.03) prohibits a utility from terminating gas or electric service to residential buildings if the forecasted temperature at 6 a.m. is not expected to exceed 32 degrees Fahrenheit for the next 24 hours. If a public service company seeks to terminate electric or gas service during the period of November 1 through March 31, the company must file an affidavit with

PSC certifying the service termination does not constitute a threat to the life or health of the residential occupants. During these months service cannot be terminated for nonpayment unless the amount of arrearage is greater than \$200 for a single-service utility and \$300 for a dual service utility. The amount owed must be greater than the customer's security deposit.

Each electric and gas utility is required to file a termination policy statement as a separately identified part of the Customers' Rights Pamphlet. Before termination of service for nonpayment for a residential customer, electric companies must provide 14 days written notice. Between the date that a notice of termination is mailed, an electric or gas company must attempt to make personal contact with the customer on two separate days. If the electric or gas termination will aggravate an existing serious illness or prevent the use of life-support equipment, service cannot be terminated for an additional 30 days past the initial termination date.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 25, 2009
mlm/rhh Revised - House Third Reader - April 8, 2009

Analysis by: Erik P. Timme

Direct Inquiries to:
(410) 946-5510
(301) 970-5510