

# SENATE BILL 459

C5  
SB 450/08 – FIN

1lr2167

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By: **Senator Pipkin**  
Introduced and read first time: February 4, 2011  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Commission – Electric and Gas Consumers**

3 FOR the purpose of providing that the primary objective of the Public Service  
4 Commission is to obtain the lowest rates for consumers when setting a just and  
5 reasonable rate of an electric company or gas company; providing that the  
6 primary purpose of the Commission when carrying out certain functions  
7 relating to natural gas suppliers is to obtain the best price for gas consumers;  
8 requiring that certain consumer protection orders and regulations adopted by  
9 the Commission relating to gas suppliers be designed to obtain the best price for  
10 consumers; and generally relating to the Public Service Commission.

11 BY repealing and reenacting, with amendments,  
12 Article – Public Utilities  
13 Section 4–102 and 7–604  
14 Annotated Code of Maryland  
15 (2010 Replacement Volume)

16 BY adding to  
17 Article – Public Utilities  
18 Section 7–601.1  
19 Annotated Code of Maryland  
20 (2010 Replacement Volume)

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

23 **Article – Public Utilities**

24 4–102.

25 (a) This section does not apply to small rural electric cooperatives.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (b) The Commission shall have the power to set a just and reasonable rate of  
2 a public service company, as a maximum rate, minimum rate, or both.

3 (c) **(1) THIS SUBSECTION APPLIES TO ELECTRIC COMPANIES AND**  
4 **GAS COMPANIES.**

5 **(2) WHEN SETTING A JUST AND REASONABLE RATE UNDER THIS**  
6 **TITLE, THE PRIMARY OBJECTIVE OF THE COMMISSION IS TO OBTAIN THE**  
7 **LOWEST RATE FOR CONSUMERS THAT IS CONSISTENT WITH § 4-101 OF THIS**  
8 **SUBTITLE.**

9 **(D) (1)** The Commission shall issue an order, including the rate set under  
10 subsection (b) of this section.

11 (2) The Commission shall serve the order on each affected public  
12 service company.

13 **7-601.1.**

14 **IN CARRYING OUT ITS FUNCTIONS UNDER THIS SUBTITLE, THE PRIMARY**  
15 **PURPOSE OF THE COMMISSION IS TO OBTAIN THE BEST PRICE FOR CONSUMERS.**

16 7-604.

17 (a) [On or before July 1, 2001, the] **THE** Commission shall adopt consumer  
18 protection orders or regulations for gas suppliers that:

19 (1) protect consumers from discriminatory, unfair, deceptive, and  
20 anticompetitive acts and practices in the marketing, selling, or distributing of natural  
21 gas;

22 (2) provide for contracting, enrollment, and billing practices and  
23 procedures; and

24 (3) the Commission considers necessary to protect the consumer.

25 **(b) ORDERS AND REGULATIONS ADOPTED UNDER THIS SECTION SHALL**  
26 **BE DESIGNED TO OBTAIN THE BEST PRICE FOR CONSUMERS.**

27 **(C)** In adopting orders and regulations under this section, unless the  
28 Commission determines that the circumstances do not require consistency, the  
29 Commission shall:

30 (1) provide customers with protections consistent with applicable  
31 protections provided to retail electric customers; and

1                   (2)   impose appropriate requirements on gas suppliers that are  
2 consistent with applicable requirements imposed on electricity suppliers.

3                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 2011.