

Chapter 19

(House Bill 281)

AN ACT concerning

Maryland Strategic Energy Investment Fund – Small Rural Electric Cooperative – Prohibition

FOR the purpose of ~~prohibiting funds in a certain account in~~ providing that a certain provision of law relating to the use of certain proceeds received by the Maryland Strategic Energy Investment Fund from being used to offset electricity rates of and credited to a certain account does not apply to residential customers of a small rural electric cooperative; requiring, as approved by the Public Service Commission, certain small rural electric cooperatives to distribute certain moneys held in a certain account as of a certain date to certain organizations; and generally relating to the Maryland Strategic Energy Investment Fund and small rural electric cooperatives.

BY repealing and reenacting, without amendments,

Article – State Government

Section 9–20B–05(a) and (b)

Annotated Code of Maryland

(2009 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 9–20B–05(g)

Annotated Code of Maryland

(2009 Replacement Volume and 2010 Supplement)

BY adding to

Article – State Government

Section 9–20B–05(g–2)

Annotated Code of Maryland

(2009 Replacement Volume and 2010 Supplement)

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

Article – State Government

9–20B–05.

(a) There is a Maryland Strategic Energy Investment Fund.

(b) The purpose of the Fund is to implement the Strategic Energy Investment Program.

(g) Except as provided in subsection (g-1) of this section, proceeds received by the Fund from the sale of allowances under § 2-1002(g) of the Environment Article shall be allocated to the following accounts:

(1) 17% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electricity assistance programs in the Department of Human Resources;

(2) **EXCEPT AS PROVIDED IN SUBSECTION (G-2) OF THIS SECTION,** 23% shall be credited to a rate relief account 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 Utilities Article, on a per customer basis and in a manner prescribed by the Public Service Commission;

(3) at least 46% shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of which at least one-half shall be targeted to the low and moderate income efficiency and conservation programs account for:

(i) the low-income residential sector at no cost to the participants of the programs, projects, or activities; and

(ii) the moderate-income residential sector;

(4) up to 10.5% shall be credited to a renewable and clean energy programs account for:

(i) subject to subsection (i) of this section, renewable and clean energy programs and initiatives;

(ii) energy-related public education and outreach; and

(iii) climate change programs; and

(5) up to 3.5%, but not more than \$4,000,000, shall be credited to an administrative expense account for costs related to the administration of the Fund, including the review of electric company plans for achieving electricity savings and demand reductions that the electric companies are required under law to submit to the Administration.

~~(G-2) THE RATE RELIEF ACCOUNT ESTABLISHED UNDER SUBSECTION SUBSECTION (G)(2) OF THIS SECTION MAY NOT BE USED TO OFFSET THE ELECTRICITY RATES OF DOES NOT APPLY TO RESIDENTIAL CUSTOMERS OF A SMALL RURAL ELECTRIC COOPERATIVE, AS DEFINED IN § 1-101 OF THE PUBLIC UTILITIES ARTICLE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, as approved by the Public Service Commission, each small rural electric cooperative, as defined in § 1-101 of the Public Utilities Article, shall distribute to one or more organizations that provide assistance to low income residents in the small rural electric cooperative's service territory any moneys held as of the effective date of this Act in an escrow account for small rural electric cooperative residential customers established in connection with § 9-20B-05(g)(2) of the State Government Article, as in effect before the effective date of this Act.

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

Approved by the Governor, April 12, 2011.