

SENATE BILL 974

C5

2lr3223
CF HB 1028

By: **Senators Pugh, Jones–Rodwell, McFadden, and Muse**

Introduced and read first time: February 16, 2012

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies and Electric Cooperatives – Standard Offer Service –**
3 **Service Rights Auctions**

4 FOR the purpose of requiring the Public Service Commission to study and make
5 recommendations about the advisability of conducting certain auctions related
6 to the right of certain electric companies and electric cooperatives to provide
7 electric service to customers using standard offer service in certain service
8 territories and the manner in which the auctions should be conducted, including
9 certain items; requiring the Commission to report certain recommendations by
10 a certain date to the Senate Finance Committee and the House Economic
11 Matters Committee; defining a certain term; and generally relating to standard
12 offer service.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That:

15 (a) (1) The Public Service Commission shall study and make
16 recommendations about:

17 (i) the advisability of:

18 1. establishing an auction among retail electric
19 companies for the right to provide electric service to electric customers using standard
20 offer service in the current service territories of the Potomac Electric Power Company
21 (Pepco), Allegheny Power, Baltimore Gas and Electric Company (BGE), or Delmarva
22 Power and Light Company; and

23 2. A. allowing electric cooperatives to participate in
24 an auction under item (i)1 of this paragraph; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 B. establishing an auction among electric cooperatives
2 for the right to provide electric service to electric customers using standard offer
3 service in the current service territory of an electric cooperative in the State; and

4 (ii) the manner in which an auction under item (i) of this
5 paragraph should be conducted, including:

- 6 1. provisions relating to low-income customers;
- 7 2. the frequency and time frame for auctions;
- 8 3. procedures governing auctions; and
- 9 4. the disposition of proceeds from auctions to benefit
10 residential electric customers.

11 (2) In making the recommendations required under paragraph (1) of
12 this subsection, the Commission shall consider the best interests of electric customers
13 relating to the cost and reliability of electric service.

14 (b) On or before December 31, 2012, the Commission shall report its
15 recommendations under subsection (a) of this section to the Senate Finance
16 Committee and the House Economic Matters Committee, in accordance with § 2-1246
17 of the State Government Article.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2012.