

## Chapter 435

(House Bill 385)

AN ACT concerning

### Chesapeake Conservation Corps Program – Funding Extension

FOR the purpose of repealing certain limitations on the requirement to provide certain funding in certain fiscal years to the Chesapeake Conservation Corps Program for certain purposes from the Environmental Trust Fund; requiring certain funding for the Corps Program each fiscal year; extending the termination date of a certain surcharge on electrical energy distributed to retail electric customers in the State; and generally relating to the Chesapeake Conservation Corps Program and the Environmental Trust Fund.

BY repealing and reenacting, without amendments,

Article – Natural Resources

Section ~~3–302(a)(1)~~ 3–302(a) and (b)(1) and 8–1913(a) and (c)

Annotated Code of Maryland

(2012 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section ~~3–302(d)~~ 3–302(b)(2) and (d) and 8–1921

Annotated Code of Maryland

(2012 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 7–203

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

#### Article – Natural Resources

3–302.

(a) (1) There is an Environmental Trust Fund.

(2) For the purpose of this subtitle, there is established as an added cost of electricity distributed to retail electric customers within the State, an

environmental surcharge per kilowatt hour of electric energy distributed in the State to be paid by any electric company as defined in § 1–101 of the Public Utilities Article. The Public Service Commission shall impose the surcharge per kilowatt hour of electric energy distributed to retail electric customers within the State and shall authorize the electric companies to add the full amount of the surcharge to retail electric customers’ bills. To the extent that the surcharge is not collected from retail electric customers, the surcharge shall be deemed a cost of distribution and shall be allowed and computed as such, together with other allowable expenses, for rate-making purposes. Revenues from the surcharge shall be collected by the Comptroller and placed in the Fund.

(b) (1) The Secretary, in consultation with the Director of the Maryland Energy Administration, annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle. Upon approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year.

(2) Notwithstanding any other provisions of this subtitle, the amount of the surcharge for each account for each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not continue beyond fiscal year [2015] 2020.

(d) (1) The Maryland Energy Administration shall receive administrative and fiscal support from the Fund for studies relating to the conservation or production of electric energy.

(2) Fiscal support to the Maryland Energy Administration from the Fund may not exceed \$250,000 in any fiscal year.

(3) [In each of fiscal years 2011 through 2015, the] **THE** Chesapeake Bay Trust shall receive \$250,000 from the Fund **EACH FISCAL YEAR** for the purpose of funding energy conservation projects through the Chesapeake Conservation Corps Program, as provided under §§ 8–1913 through 8–1924 of this article.

8–1913.

(a) In this part the following words have the meanings indicated.

(c) “Corps Program” means the Chesapeake Conservation Corps Program established under § 8–1914 of this part.

8–1921.

(a) [For fiscal years 2011 through 2015, the] **THE** Corps Program shall be funded **EACH FISCAL YEAR** with:

- (1) The amount specified in § 3–302(d) of this article; and
  - (2) Up to \$250,000 in additional funds that may be allocated by the Trust through its annual budget process.
- (b) The Trust and the Corps Board shall seek federal funds and grants and donations from private sources to be made to the Trust for the purpose of long-term funding of the Corps Program.

### Article – Public Utilities

#### 7–203.

- (a) (1) The Commission shall:
- (i) impose an environmental surcharge per kilowatt hour of electricity distributed to retail electric customers within the State; and
  - (ii) authorize each electric company to add the full amount of the surcharge to its customers' bills.
- (2) To the extent that an electric company fails to collect the surcharge from its customers, the amount uncollected shall be deemed a cost of power distribution and allowed and computed as such together with other allowable expenses for purposes of rate making.
- (b) (1) The Comptroller shall collect the revenue from the surcharge imposed under subsection (a) of this section and place the revenue into a special fund, the Environmental Trust Fund.
- (2) The Comptroller shall maintain the method of collection of the surcharge from each electric company, and the money collected shall accrue to the Fund.
- (c) (1) Each fiscal year, the Secretary of Natural Resources shall coordinate the preparation of the annual budget required to carry out the provisions of the Power Plant Research Program under Title 3, Subtitle 3 of the Natural Resources Article.
- (2) Each fiscal year, on approval of the annual budget by the General Assembly for the Power Plant Research Program, the Commission shall establish the amount of the environmental surcharge per kilowatt hour of electric energy distributed in the State that is to be imposed on each electric company in accordance with subsection (a) of this section.

(d) (1) Notwithstanding any other provision of this subtitle, the amount of the surcharge for each account of each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month.

(2) The Department of Natural Resources shall credit against the amount the Commission requires each electric company to pay into the Environmental Trust Fund 0.75% of the total surcharge amount attributed to the electric company on the basis of the amount of the electricity distributed in the State.

(e) To the extent that the Commission requires an electric company to report the total estimated kilowatt hours of electricity distributed in the State in order to calculate the surcharge under subsection (a)(1) of this section, a small rural electric cooperative described in § 7-502(a) of this title may satisfy the requirement by submitting to the Commission an estimate made in accordance with a formula approved by the Commission from information that the small rural electric cooperative submits to the rural utilities service that includes the required information.

(f) The surcharge imposed under this subtitle shall terminate on June 30, [2015] 2020.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

**Approved by the Governor, May 16, 2013.**