

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 741 (Delegate Carr)
Economic Matters

Public Service Commission - New and Changed Rates - Notice Period

This bill changes the length of the notice period required for a public service company to establish a new rate or change a current rate. The notice period is changed from 30 days to 22 “business days.”

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Under current law, unless otherwise ordered by the Public Service Commission (PSC), a public service company may not establish a new rate or change in rate unless the company meets specified notification requirements during a notice period. Specifically, the public service company must:

- provide PSC notice of the new rate or change in rate at least 30 days before the rate is established; and
- publish the new rate or change in rate during the entire 30-day notice period in new (rate) schedules or plainly indicated amendments to existing schedules.

In the publication of the new rate or change in rate, the public service company must plainly indicate the proposed changes and their effective date. Tariff schedules must be written plainly and posted to make them readily accessible to and convenient for inspection by the public.

Under the bill, a public service company must provide notice to PSC of the new or changed rate at least 22 business days before the rate is established. Similarly, the company must publish the new or changed rate for at least 22 business days before the rate is established. A “business day” means a calendar day other than a Saturday, Sunday, or legal holiday, as specified in the bill.

Background: PSC regulates gas, electric, telephone, water, sewage disposal, and certain passenger transportation companies doing business in Maryland. PSC is authorized to hear and decide matters relating to (1) rate adjustments; (2) applications to exercise or abandon franchises; (3) approval of issuance of securities; (4) promulgation of new rules and regulations; and (5) quality of utility and common carrier service. PSC sets utility rates, collects and maintains records and reports of public service companies, reviews plans for service, inspects equipment, audits financial records, handles consumer complaints, and promulgates and enforces rules and regulations.

Additional Comments: The bill only alters the length of the notice period under certain conditions, such as when a public service company files notice of a new or changed rate with PSC on a Friday, or if the notice period contains one or more legal holidays. Even under these limited circumstances the notice period under the bill is only shortened by a few days.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 14, 2013
ncs/lgc

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