

SENATE BILL 966

C5

7lr2472
CF HB 1002

By: ~~Senators Klausmeier and Middleton~~, Middleton, Astle, Benson, Feldman,
Hershey, Jennings, Rosapepe, and Oaks

Introduced and read first time: February 3, 2017

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2017

CHAPTER _____

1 AN ACT concerning

2 **Electric Universal Service Program – Unexpended Funds**

3 FOR the purpose of providing that the Public Service Commission has oversight
4 responsibility over certain expenditures of the electric universal service program;
5 requiring the Department of Human Resources to expend certain funds collected for
6 the program in certain fiscal years for certain purposes, including bill assistance and
7 arrearage retirement, targeted weatherization, or arrearage management; stating
8 the intent of the General Assembly regarding the timing for expending certain
9 unexpended bill assistance and arrearage funds; and generally relating to the
10 electric universal service program.

11 BY repealing and reenacting, with amendments,
12 Article – Public Utilities
13 Section 7–512.1(a) and (b)
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2016 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – Public Utilities
18 Section 7–512.1(e) and (f)
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2016 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Public Utilities**

4 7–512.1.

5 (a) (1) The Commission shall establish an electric universal service program
6 to assist electric customers with annual incomes at or below 175% of the federal poverty
7 level.

8 (2) The components of the electric universal service program shall include:

9 (i) bill assistance;

10 (ii) low–income residential weatherization; and

11 (iii) the retirement of arrearages for electric customers who have not
12 received assistance in retiring arrearages under the universal service program within the
13 preceding 7 fiscal years.

14 (3) The Department of Housing and Community Development is
15 responsible for administering the low–income residential weatherization component of the
16 electric universal service program.

17 (4) (i) The Department of Human Resources, through the Office of
18 Home Energy Programs, is responsible for administering the bill assistance and the
19 arrearage retirement components of the electric universal service program.

20 (ii) The Department of Human Resources may:

21 1. establish minimum and maximum benefits available to an
22 electric customer under the bill assistance and arrearage retirement components; and

23 2. coordinate benefits under the electric universal service
24 program with benefits under the Maryland Energy Assistance Program and other available
25 energy assistance programs.

26 (5) The Department of Human Resources may, with input from a panel or
27 roundtable of interested parties, contract to assist in administering the bill assistance and
28 the arrearage retirement components of the electric universal service program.

29 (6) The Commission has oversight responsibility for the bill assistance and
30 the arrearage retirement components of the electric universal service program **AND ANY**
31 **OTHER FUNDS EXPENDED UNDER THIS SECTION.**

1 (7) In a specific case, the electric universal service program may waive the
2 income eligibility limitation under paragraph (1) of this subsection in order to provide
3 assistance to an electric customer who would qualify for a similar waiver under the
4 Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human
5 Services Article.

6 (b) (1) All customers shall contribute to the funding of the electric universal
7 service program through a charge collected by each electric company.

8 (2) The Commission shall determine a fair and equitable allocation for
9 collecting the charges among all customer classes pursuant to subsection (e) of this section.

10 (3) **[In] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
11 **SUBSECTION, IN** accordance with subsection (f)(6) of this section, any unexpended bill
12 assistance and arrearage retirement funds returned to customers under subsection (f) of
13 this section shall be returned to each customer class as a credit in the same proportion that
14 the customer class contributed charges to the fund.

15 (4) **THE DEPARTMENT OF HUMAN RESOURCES SHALL EXPEND ANY**
16 **UNEXPENDED BILL ASSISTANCE AND ARREARAGE FUNDS THAT WERE COLLECTED IN**
17 **FISCAL YEARS 2010 THROUGH 2017, IN EXCESS OF THE TOTAL AMOUNT**
18 **AUTHORIZED UNDER SUBSECTION (E) OF THIS SECTION, FOR ONE OR MORE OF THE**
19 **FOLLOWING PURPOSES:**

20 (I) **BILL ASSISTANCE AND THE RETIREMENT OF ARREARAGES**
21 **FOR CUSTOMERS WHO ARE ELIGIBLE TO RECEIVE ASSISTANCE AT THE TIME**
22 **SERVICES ARE PROVIDED;**

23 (II) **TARGETED AND ENHANCED LOW-INCOME RESIDENTIAL**
24 **WEATHERIZATION DESIGNED TO REMEDIATE HOUSEHOLDS THAT ARE CONSIDERED**
25 **INELIGIBLE TO PARTICIPATE IN OTHER STATE ENERGY EFFICIENCY PROGRAMS DUE**
26 **TO SIGNIFICANT HEALTH AND SAFETY HAZARDS; OR**

27 (III) **AN ARREARAGE MANAGEMENT PROGRAM FOR LOW-INCOME**
28 **CUSTOMERS IN ARREARS, INCLUDING PROVIDING CREDITS OR MATCHING**
29 **PAYMENTS FOR CUSTOMERS WHO MAKE TIMELY PAYMENTS ON CURRENT BILLS.**

30 (5) An electric company shall recover electric universal service program
31 costs in accordance with § 7-512 of this subtitle.

32 **[(5)] (6)** As determined by the Office of Home Energy Programs, bill
33 assistance payments to an electric company may be on a monthly basis for each customer.

