

# SENATE BILL 660

C5, L6

9lr2560  
CF 9lr1191

---

By: **Senator Washington**

Introduced and read first time: February 4, 2019

Assigned to: Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Electric Industry – Community Choice Aggregation**

3 FOR the purpose of repealing a provision that prohibits a county or municipal corporation  
4 from acting as an aggregator under certain circumstances; establishing a process by  
5 which a county or municipal corporation or group of counties and municipal  
6 corporations may become a community choice aggregator; requiring a county or  
7 municipal corporation to develop and give certain notice of a certain aggregation  
8 plan; providing for the contents of a certain aggregation plan; authorizing a  
9 community choice aggregator to own a certain electric generating facility for a  
10 certain purpose; exempting a community choice aggregator from certain  
11 requirements relating to the licensing of electricity suppliers; establishing a process  
12 under which certain customers shall be deemed to have given permission to a certain  
13 county or municipal corporation to act as the customers' community choice  
14 aggregator; providing that certain customers may refuse to participate in certain  
15 aggregation activities under certain circumstances; requiring a certain electricity  
16 supplier to give certain notice to a community choice aggregator regarding the end  
17 of a certain contract term; requiring a county or municipal corporation to give or  
18 provide for certain notices to certain persons and to the Public Service Commission  
19 under certain circumstances; providing for the contents of certain notices;  
20 prohibiting a county or municipal corporation from excluding certain customers from  
21 the ability to participate in certain aggregation activities under certain  
22 circumstances; requiring the Commission to notify a certain county or municipal  
23 corporation as to its compliance with certain requirements; providing that a  
24 community choice aggregator may award contracts for competitive generation  
25 service supply only at certain times; requiring the Commission to make a certain  
26 determination as to when a community choice aggregator may award contracts for  
27 competitive generation service supply; providing that a certain county or municipal  
28 corporation is deemed to have obtained certain customer authorization to retrieve  
29 certain data; requiring the Commission to review certain fees, request formats, and  
30 the format of certain data provided to facilitate the intent of certain provisions of  
31 law; prohibiting a community choice aggregator from assessing certain new fees,

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 taxes, or charges in the aggregation charges or rates under certain circumstances;  
 2 limiting the amount of a certain fee; requiring the Commission to adopt certain  
 3 regulations and establish certain procedures; requiring the Commission to consider  
 4 certain factors; defining certain terms; altering certain definitions; and generally  
 5 relating to the ability of a county or municipal corporation to aggregate demand for  
 6 electricity within the county or municipal corporation.

7 BY renumbering  
 8 Article – Public Utilities  
 9 Section 1–101(f) through (tt), respectively  
 10 to be Section 1–101(g) through (uu), respectively  
 11 Annotated Code of Maryland  
 12 (2010 Replacement Volume and 2018 Supplement)

13 BY repealing and reenacting, without amendments,  
 14 Article – Public Utilities  
 15 Section 1–101(a)  
 16 Annotated Code of Maryland  
 17 (2010 Replacement Volume and 2018 Supplement)

18 BY repealing and reenacting, with amendments,  
 19 Article – Public Utilities  
 20 Section 1–101(b) and 7–507(a)  
 21 Annotated Code of Maryland  
 22 (2010 Replacement Volume and 2018 Supplement)

23 BY adding to  
 24 Article – Public Utilities  
 25 Section 1–101(f) and 7–510.2  
 26 Annotated Code of Maryland  
 27 (2010 Replacement Volume and 2018 Supplement)

28 BY repealing  
 29 Article – Public Utilities  
 30 Section 7–510(f)  
 31 Annotated Code of Maryland  
 32 (2010 Replacement Volume and 2018 Supplement)

33 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 34 That Section(s) 1–101(f) through (tt), respectively, of Article – Public Utilities of the  
 35 Annotated Code of Maryland be renumbered to be Section(s) 1–101(g) through (uu),  
 36 respectively.

37 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
 38 as follows:

39 **Article – Public Utilities**

1 1-101.

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

3 (b) (1) "Aggregator" means an entity or an individual that acts on behalf of a  
4 customer to purchase electricity or gas.

5 (2) "Aggregator" does not include:

6 (i) an entity or individual that purchases electricity or gas **ONLY** for  
7 its own use or for the use of its subsidiaries or affiliates;

8 (ii) a municipal electric utility or a municipal gas utility serving only  
9 in its distribution territory; or

10 (iii) a combination of governmental units that purchases electricity  
11 or gas for use by the governmental units.

12 **(F) "COMMUNITY CHOICE AGGREGATOR" MEANS A COUNTY OR MUNICIPAL**  
13 **CORPORATION OR A GROUP OF COUNTIES, MUNICIPAL CORPORATIONS, OR BOTH**  
14 **THAT SERVE AS AN ELECTRIC AGGREGATOR FOR THE PURPOSE OF NEGOTIATING**  
15 **THE PURCHASE OF ELECTRIC GENERATION SERVICES FROM AN ELECTRICITY**  
16 **SUPPLIER OR PROVIDING ELECTRICITY FROM AN ELECTRIC GENERATING FACILITY**  
17 **OWNED BY THE AGGREGATOR FOR ALL ELECTRIC CUSTOMERS:**

18 **(1) LOCATED, FOR A MUNICIPAL CORPORATION, IN THE MUNICIPAL**  
19 **CORPORATION OR, FOR A COUNTY, IN ANY AREA IN THE COUNTY OUTSIDE A**  
20 **MUNICIPAL CORPORATION;**

21 **(2) THAT HAVE NOT:**

22 **(I) SELECTED AN ELECTRICITY SUPPLIER OTHER THAN THE**  
23 **STANDARD OFFER SERVICE SUPPLIER; OR**

24 **(II) REFUSED TO PARTICIPATE IN THE AGGREGATION**  
25 **ACTIVITIES OF THE COUNTY, MUNICIPAL CORPORATION, OR GROUP OF COUNTIES**  
26 **OR GROUP OF MUNICIPAL CORPORATIONS; AND**

27 **(3) THAT ARE NOT LOCATED IN THE SERVICE TERRITORY OF A**  
28 **MUNICIPAL ELECTRIC UTILITY.**

29 7-507.

30 (a) A person, other than an electric company providing standard offer service

1 under § 7-510(c) of this subtitle [or], a municipal electric utility serving customers solely  
2 in its distribution territory, **OR A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.2**  
3 **OF THIS SUBTITLE**, may not engage in the business of an electricity supplier in the State  
4 unless the person holds a license issued by the Commission.

5 7-510.

6 [(f) A county or municipal corporation may not act as an aggregator unless the  
7 Commission determines there is not sufficient competition within the boundaries of the  
8 county or municipal corporation.]

9 **7-510.2.**

10 (A) A COUNTY OR MUNICIPAL CORPORATION OR GROUP OF COUNTIES OR  
11 MUNICIPAL CORPORATIONS MAY FORM OR JOIN A COMMUNITY CHOICE  
12 AGGREGATOR UNDER THIS SECTION.

13 (B) (1) AT LEAST 60 DAYS BEFORE INITIATING THE PROCESS TO JOIN OR  
14 FORM A COMMUNITY CHOICE AGGREGATOR, A COUNTY OR MUNICIPAL  
15 CORPORATION SHALL DEVELOP AN AGGREGATION PLAN.

16 (2) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL  
17 CORPORATION SHALL:

18 (I) GIVE WRITTEN NOTICE OF THE AGGREGATION PLAN TO  
19 EACH ELECTRIC CUSTOMER IN THE JURISDICTION;

20 (II) PUBLISH A FAIR SUMMARY OF THE AGGREGATION PLAN IN  
21 AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN THE JURISDICTION; AND

22 (III) IF THE JURISDICTION MAINTAINS A WEBSITE, PUBLISH THE  
23 FULL TEXT OF THE AGGREGATION PLAN ON THE WEBSITE.

24 (3) THE AGGREGATION PLAN SHALL:

25 (I) DETAIL THE PROCESS AND CONSEQUENCES OF COMMUNITY  
26 CHOICE AGGREGATION;

27 (II) CONTAIN INFORMATION ON THE OPERATIONS, FUNDING,  
28 AND ORGANIZATIONAL STRUCTURE OF THE COMMUNITY CHOICE AGGREGATOR;

29 (III) PROVIDE DETAILS ON:

30 1. THE RATE SETTING AND COSTS TO PARTICIPANTS;

1                   **2. METHODS THAT THE COMMUNITY CHOICE**  
2 **AGGREGATOR MUST USE FOR ENTERING INTO AND TERMINATING AGREEMENTS**  
3 **WITH OTHER ENTITIES;**

4                   **3. THE RIGHTS AND RESPONSIBILITIES OF**  
5 **PARTICIPATING ELECTRIC CUSTOMERS; AND**

6                   **4. THE TERMINATION OF THE AGGREGATION PROGRAM,**  
7 **IF ANY; AND**

8                   **(IV) PROVIDE FOR UNIVERSAL ELECTRICITY ACCESS,**  
9 **RELIABILITY, AND EQUITABLE TREATMENT OF ALL ELECTRIC CUSTOMERS IN THE**  
10 **JURISDICTION.**

11           **(C) (1) AT LEAST 60 DAYS AFTER GIVING WRITTEN NOTICE OF THE**  
12 **AGGREGATION PLAN TO THE ELECTRIC CUSTOMERS IN ITS JURISDICTION, A COUNTY**  
13 **OR MUNICIPAL CORPORATION OR GROUP OF COUNTIES OR MUNICIPAL**  
14 **CORPORATIONS MAY INITIATE THE PROCESS OF FORMING OR JOINING A**  
15 **COMMUNITY CHOICE AGGREGATOR BY FILING WITH THE COMMISSION BY**  
16 **REGISTERED MAIL:**

17                   **(I) A NOTICE OF INTENT TO FORM OR JOIN A COMMUNITY**  
18 **CHOICE AGGREGATOR;**

19                   **(II) A COPY OF THE AGGREGATION PLAN DEVELOPED IN**  
20 **ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION; AND**

21                   **(III) A DRAFT LOCAL LAW FORMING OR JOINING A COMMUNITY**  
22 **CHOICE AGGREGATOR.**

23                   **(2) THE NOTICE OF INTENT SHALL INCLUDE:**

24                   **(I) THE NAME OF EACH COUNTY OR MUNICIPAL CORPORATION**  
25 **IN THE COMMUNITY CHOICE AGGREGATOR; AND**

26                   **(II) WHETHER THE COUNTY OR MUNICIPAL CORPORATION IS**  
27 **FORMING A COMMUNITY CHOICE AGGREGATOR OR JOINING AN EXISTING**  
28 **COMMUNITY CHOICE AGGREGATOR.**

29                   **(3) A COUNTY OR MUNICIPAL CORPORATION IS A COMMUNITY**  
30 **CHOICE AGGREGATOR AFTER:**

1                   **(I) SUBMITTING THE NOTICE OF INTENT AND AGGREGATION**  
2 **PLAN REQUIRED UNDER THIS SUBSECTION; AND**

3                   **(II) ENACTING A LOCAL LAW THAT PROVIDES THAT THE COUNTY**  
4 **OR MUNICIPAL CORPORATION SHALL ACT AS A COMMUNITY CHOICE AGGREGATOR.**

5           **(D) (1) IF A COUNTY OR MUNICIPAL CORPORATION ENACTS A LOCAL LAW**  
6 **TO ACT AS A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION, THE COUNTY**  
7 **OR MUNICIPAL CORPORATION SHALL GIVE, OR CAUSE ITS SELECTED ELECTRICITY**  
8 **SUPPLIER TO GIVE, WRITTEN NOTICE TO ALL ELECTRIC CUSTOMERS IN ITS**  
9 **JURISDICTION.**

10                   **(2) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL**  
11 **INCLUDE:**

12                   **(I) THE IDENTITY OF THE SELECTED ELECTRICITY SUPPLIER;**

13                   **(II) TERMS AND CONDITIONS OF SERVICE;**

14                   **(III) NEW RATES FOR SERVICE;**

15                   **(IV) A COMPARISON OF THE NEW RATES AND THE RATES UNDER**  
16 **THE CURRENT STANDARD OFFER SERVICE; AND**

17                   **(V) THE TOTAL RENEWABLE COMPONENT OF THE PORTFOLIO**  
18 **OF THE SELECTED ELECTRICITY SUPPLIER THAT EXCEEDS THE REQUIREMENTS**  
19 **UNDER CURRENT LAW, IF ANY.**

20                   **(3) IN THE NOTICE REQUIRED UNDER THIS SUBSECTION, THE**  
21 **COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE TO THE ELECTRIC**  
22 **CUSTOMERS IN ITS JURISDICTION THE OPPORTUNITY TO REFUSE TO PARTICIPATE**  
23 **IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR**  
24 **WITHOUT PENALTY BY RETURN MAILING OF THE NOTICE INDICATING THE**  
25 **CUSTOMER'S DECISION TO REFUSE TO PARTICIPATE IN THE AGGREGATION**  
26 **ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR.**

27                   **(4) A COUNTY OR MUNICIPAL CORPORATION THAT ENACTS A LOCAL**  
28 **LAW TO ACT AS A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION MAY NOT**  
29 **EXCLUDE ANY ELECTRIC CUSTOMER IN ITS JURISDICTION FROM THE ABILITY TO**  
30 **PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE**  
31 **AGGREGATOR.**

32                   **(E) AN ELECTRIC CUSTOMER IS DEEMED TO HAVE GIVEN PERMISSION TO**

1 THE COUNTY OR MUNICIPAL CORPORATION TO ACT ON THE CUSTOMER'S BEHALF AS  
2 A COMMUNITY CHOICE AGGREGATOR:

3 (1) WHEN THE COUNTY OR MUNICIPAL CORPORATION RECEIVES A  
4 RETURNED NOTICE FROM THE CUSTOMER EXPLICITLY GRANTING THAT  
5 PERMISSION; OR

6 (2) IN THE CASE OF A CUSTOMER RECEIVING STANDARD OFFER  
7 SERVICE, WITHIN 30 DAYS AFTER THE NOTICE IS GIVEN IF THE COUNTY OR  
8 MUNICIPAL CORPORATION HAS NOT RECEIVED A RETURNED NOTICE BY THAT DATE.

9 (F) (1) AT LEAST 45 DAYS BEFORE THE END OF A CONTRACT TERM  
10 BETWEEN AN ELECTRICITY SUPPLIER AND A CUSTOMER IN THE JURISDICTION OF A  
11 COMMUNITY CHOICE AGGREGATOR, AN ELECTRICITY SUPPLIER SHALL GIVE NOTICE  
12 TO THE COMMUNITY CHOICE AGGREGATOR REGARDING THE END OF THE CONTRACT  
13 TERM WITH THE CUSTOMER.

14 (2) AT THE END OF A CONTRACT TERM WITH AN ELECTRICITY  
15 SUPPLIER A CUSTOMER IN THE JURISDICTION OF A COMMUNITY CHOICE  
16 AGGREGATOR SHALL BE AUTOMATICALLY ENROLLED AS A PARTICIPANT IN THE  
17 AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR UNLESS THE  
18 CUSTOMER GIVES WRITTEN NOTICE TO THE COUNTY OR MUNICIPAL CORPORATION  
19 DECLINING TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY  
20 CHOICE AGGREGATOR.

21 (G) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT AN ELECTRIC  
22 CUSTOMER IN THE JURISDICTION OF THE COUNTY OR MUNICIPAL CORPORATION  
23 FROM CHOOSING TO ENTER INTO A CONTRACT WITH AN ELECTRICITY SUPPLIER  
24 OTHER THAN THE COMMUNITY CHOICE AGGREGATOR.

25 (H) (1) IN THIS SUBSECTION, "AGGREGATION SERVICES" INCLUDES THE  
26 PROVISION OF ELECTRICITY SERVICE FROM A GENERATING STATION OWNED BY A  
27 COMMUNITY CHOICE AGGREGATOR.

28 (2) A COMMUNITY CHOICE AGGREGATOR MAY NOT ASSESS ANY NEW  
29 FEE, TAX, OR OTHER CHARGE IN THE AGGREGATION CHARGES OR RATES THAT IS  
30 NOT RELATED TO THE COST OF PROVIDING THE AGGREGATION SERVICE.

1           **(3) A FEE FOR AGGREGATION MAY NOT EXCEED:**

2                   **(I) THE COST OF TRANSMISSION OF THE ELECTRICITY**  
3 **PROVIDED THROUGH THE AGGREGATION SERVICE; AND**

4                   **(II) IF THE COMMUNITY CHOICE AGGREGATOR PROVIDES**  
5 **ELECTRICITY SUPPLY TO ITS CUSTOMERS THROUGH AN ELECTRIC GENERATING**  
6 **STATION THAT IT OWNS, THE COST OF THE ELECTRICITY PROVIDED THROUGH THE**  
7 **AGGREGATION SERVICE.**

8           **(I) (1) A COMMUNITY CHOICE AGGREGATOR MAY NOT BE CONSIDERED**  
9 **TO BE AN ELECTRICITY SUPPLIER UNDER § 7-507(A) OF THIS SUBTITLE.**

10                   **(2) A COMMUNITY CHOICE AGGREGATOR MAY OWN AN ELECTRIC**  
11 **GENERATING FACILITY IN ACCORDANCE WITH THIS ARTICLE IF THE FACILITY IS**  
12 **DESIGNED TO PROVIDE ENERGY PRIMARILY FOR USE BY THE PARTICIPANTS OF THE**  
13 **COMMUNITY CHOICE AGGREGATOR.**

14           **(J) (1) BASED ON A DETERMINATION OF THE MITIGATION OF**  
15 **VOLUMETRIC RISK, THE COMMISSION SHALL IDENTIFY AT LEAST ONE 2-MONTH**  
16 **PERIOD IN THE CALENDAR YEAR WITHIN WHICH A COMMUNITY CHOICE**  
17 **AGGREGATOR MAY AWARD CONTRACTS FOR COMPETITIVE GENERATION SERVICE**  
18 **SUPPLY.**

19                   **(2) A COMMUNITY CHOICE AGGREGATOR MAY AWARD CONTRACTS**  
20 **FOR COMPETITIVE GENERATION SERVICE SUPPLY ONLY WITHIN A 2-MONTH PERIOD**  
21 **IDENTIFIED BY THE COMMISSION UNDER THIS SUBSECTION.**

22           **(K) (1) A COMMUNITY CHOICE AGGREGATOR IS DEEMED TO HAVE**  
23 **OBTAINED ELECTRIC CUSTOMER AUTHORIZATION TO RETRIEVE PREENROLLMENT**  
24 **USAGE DATA FOR CUSTOMERS IN THE JURISDICTION OF THE COMMUNITY CHOICE**  
25 **AGGREGATOR.**

26                   **(2) AN ELECTRIC COMPANY SHALL PROVIDE TO A COMMUNITY**  
27 **CHOICE AGGREGATOR ANY RELEVANT PREENROLLMENT USAGE DATA FOR**  
28 **CUSTOMERS IN THE JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR.**

29           **(L) THE COMMISSION SHALL REVIEW APPLICABLE FEES, REQUEST**  
30 **FORMATS, AND THE FORMAT OF DATA PROVIDED TO FACILITATE THE INTENT OF**  
31 **THIS SECTION.**

32           **(M) (1) THE COMMISSION SHALL ESTABLISH PROCEDURES FOR AN**  
33 **ELECTRIC CUSTOMER WHO IS RECEIVING ELECTRIC GENERATION SERVICES FROM**



1 AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE AGGREGATOR TO  
2 RECEIVE ANY BILL ASSISTANCE CREDIT TO WHICH THE CUSTOMER MAY BE  
3 ENTITLED UNDER § 7-512.1 OF THIS SUBTITLE.

4 (2) AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE  
5 AGGREGATOR SHALL REFER RESIDENTIAL CUSTOMERS WITH ACCOUNTS DEEMED  
6 DELINQUENT UNDER THE TERMS AND CONDITIONS ADOPTED BY THE ELECTRICITY  
7 SUPPLIER TO THE STANDARD OFFER SERVICE IN ACCORDANCE WITH THE  
8 PROCEDURES ADOPTED BY THE COMMISSION UNDER §§ 7-507(E)(6) AND  
9 7-510(C)(2)(VI) OF THIS SUBTITLE.

10 (N) (1) THE COMMISSION SHALL BY REGULATION ESTABLISH  
11 STANDARDS AND PROCEDURES TO PROTECT THE CONSUMER RIGHTS OF  
12 RESIDENTIAL CUSTOMERS WHO RECEIVE ELECTRIC GENERATION SERVICES FROM  
13 AN ELECTRICITY SUPPLIER SELECTED BY A COMMUNITY CHOICE AGGREGATOR.

14 (2) THE REGULATIONS SHALL PROHIBIT DISCRIMINATION AGAINST A  
15 CUSTOMER OR ON THE BASIS OF THE LOCATION OF THE CUSTOMER.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2019.