C5, L6	0lr 0595
HB 730/19 – ECM	CF SB 315

By: Delegates Charkoudian, Acevero, Bagnall, Bridges, Cain, Carr, Crosby, Crutchfield, Cullison, Dumais, Ebersole, Feldmark, Fennell, W. Fisher, Fraser-Hidalgo, Gilchrist, Guyton, Haynes, Healey, Hettleman, Hill, Ivey, Jalisi, Kelly, Korman, Lehman, R. Lewis, Lierman, Lopez, Love, Moon, Mosby, Palakovich Carr, Pendergrass, Reznik, Rogers, Rosenberg, Shetty, Solomon, Stewart, Terrasa, Turner, C. Watson, Wilkins, and P. Young P. Young, and Holmes

Introduced and read first time: January 27, 2020 Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 10, 2020

CHAPTER _____

1 AN ACT concerning

$\mathbf{2}$

Electric Industry – Community Choice Energy <u>– Pilot Program</u>

3 FOR the purpose of applying certain laws regarding net energy metering and community 4 solar generating systems to customers served by a community choice aggregator; $\mathbf{5}$ repealing a provision that prohibits a county or municipal corporation from acting as 6 an aggregator under certain circumstances; altering the circumstances under which 7 counties and municipal corporations may act as an aggregator; establishing a certain 8 Community Choice Aggregator Pilot Program; providing for the application of 9 certain provisions; establishing a process by which, beginning on a certain date, a county or municipal corporation or group of counties or municipal corporations may 10 form or join a community choice aggregator; requiring a county or municipal 11 12corporation to develop and give certain notice of a certain aggregation plan under 13 certain circumstances; providing for the contents of a certain aggregation plan; 14prohibiting a county or municipal corporation from excluding certain customers from the ability to participate in certain aggregation activities under certain 1516circumstances; establishing a process under which certain customers shall be 17deemed to have given permission to a certain county or municipal corporation to act 18 as the customers' community choice aggregator; providing that certain customers 19 may refuse to participate in certain aggregation activities under certain

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 circumstances; requiring a certain electricity supplier to give certain notice to a $\mathbf{2}$ community choice aggregator regarding the end of a certain contract term; 3 authorizing a community choice aggregator to impose a certain penalty under certain 4 circumstances; prohibiting a community choice aggregator from assessing certain $\mathbf{5}$ new fees, taxes, or charges in the aggregation charges or rates under certain 6 circumstances; exempting a community choice aggregator from certain requirements $\overline{7}$ relating to the licensing of electricity suppliers; authorizing a community choice 8 aggregator to own a certain electric generating facility for a certain purpose; 9 requiring a community choice aggregator to submit a certain plan to the Public 10 Service Commission for the use or disposition of a certain electric generating facility 11 under certain circumstances; authorizing a community choice aggregator to contract 12for service from an electric generating facility under certain circumstances; requiring 13 a county or municipal corporation to give or provide for certain notices to certain 14persons and to the Commission under certain circumstances; providing for the 15contents of certain notices; requiring the Commission to notify a certain county or 16 municipal corporation as to its approval of the aggregation plan and certain proposed 17terms of service, rates, and categories of certain charges, fees, or other costs under 18 certain circumstances; providing that a community choice aggregator may award 19 contracts for competitive generation service supply only at certain times; authorizing 20the Commission to establish a schedule by which a community choice aggregator 21may transfer load from standard offer service to retail or wholesale contracts under 22an aggregation plan; providing that a certain county or municipal corporation is 23deemed to have obtained certain customer authorization to retrieve certain data; 24requiring an electric company to provide certain data to a community choice 25aggregator; requiring the Commission to review certain fees, request formats, and 26the format of certain data provided to facilitate the intent of certain provisions of 27law; providing for the beginning and the termination of the pilot program; requiring 28the Commission to report to the General Assembly on the pilot program on or before 29a certain date; requiring the Commission to adopt certain regulations and establish 30 certain procedures; authorizing the Commission to make a certain allocation under 31 certain circumstances; requiring an electric company to provide certain billing 32 services; requiring certain bills to contain a certain notice; requiring the Commission 33 to determine the terms and conditions under which a certain electric company 34 provides certain services; requiring the Commission to consider certain factors; 35 providing for the application of this Act; defining certain terms; altering certain 36 definitions; stating the intent of the General Assembly; and generally relating to the 37 ability of a county or municipal corporation to aggregate demand for electricity 38 within the county or municipal corporation.

- 39 BY renumbering
- 40 Article Public Utilities
- 41 Section 1–101(f) through (tt), respectively
- 42 to be Section 1–101(g) through (uu), respectively
- 43 Annotated Code of Maryland
- 44 (2010 Replacement Volume and 2019 Supplement)
- 45 BY repealing and reenacting, without amendments,

 $\mathbf{2}$

- 1 Article Public Utilities
- 2 Section 1–101(a), 7–306(a)(1), (4), and (7) and (f)(1), and 7–306.2(d)(1) and (2)
- 3 Annotated Code of Maryland
- 4 (2010 Replacement Volume and 2019 Supplement)
- 5 BY repealing and reenacting, with amendments,
- 6 Article Public Utilities
- 7 Section 1–101(b), 7–306(f)(5) and (h), 7–306.2(d)(3), and 7–507(a), and 7–510(f)
- 8 Annotated Code of Maryland
- 9 (2010 Replacement Volume and 2019 Supplement)
- 10 BY adding to
- 11 Article Public Utilities
- 12 Section 1–101(f), 7–306(h), and 7–510.3
- 13 Annotated Code of Maryland
- 14 (2010 Replacement Volume and 2019 Supplement)
- 15 BY repealing
- 16 Article Public Utilities
- 17 Section 7–510(f)
- 18 Annotated Code of Maryland
- 19 (2010 Replacement Volume and 2019 Supplement)
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 1–101(f) through (tt), respectively, of Article – Public Utilities of the Annotated Code of Maryland be renumbered to be Section(s) 1–101(g) through (uu), respectively.
- 24 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 25 as follows:
- 26 Article Public Utilities
- 27 1-101.

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

29 (b) (1) "Aggregator" means an entity or an individual that acts on behalf of a 30 customer to purchase electricity or gas.

- 31 (2) "Aggregator" does not include:
- (i) an entity or individual that purchases electricity or gas ONLY for
 its own use or for the use of its subsidiaries or affiliates;

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

1 (iii) a combination of governmental units that purchases electricity 2 or gas for use by the governmental units.

3 **(F)** "COMMUNITY CHOICE AGGREGATOR" MEANS A COUNTY OR MUNICIPAL 4 **CORPORATION OR A GROUP OF COUNTIES, MUNICIPAL CORPORATIONS, OR BOTH,** THAT SERVES AS AN ELECTRIC AGGREGATOR FOR THE PURPOSE OF NEGOTIATING $\mathbf{5}$ THE PURCHASE OF ELECTRIC GENERATION SERVICES FROM AN ELECTRICITY 6 7 SUPPLIER LICENSED BY THE COMMISSION OR FROM AN ELECTRIC GENERATING OR 8 STORAGE FACILITY, OR PROVIDING ELECTRICITY FROM AN ELECTRIC GENERATING 9 FACILITY OWNED BY THE AGGREGATOR FOR RESIDENTIAL ELECTRIC CUSTOMERS, 10 INCLUDING MASTER METERED MULTIPLE OCCUPANCY RESIDENCES AND SMALL COMMERCIAL ELECTRIC CUSTOMERS, AS DEFINED IN § 7–510.3 OF THIS ARTICLE, 11 12THAT:

13 (1) ARE LOCATED, FOR A MUNICIPAL CORPORATION, IN THE
 14 MUNICIPAL CORPORATION OR, FOR A COUNTY, IN ANY AREA IN THE COUNTY
 15 OUTSIDE A MUNICIPAL CORPORATION;

16(1)ARE LOCATED WITHIN THE COUNTY, INCLUDING CUSTOMERS17LOCATED WITHIN MUNICIPAL CORPORATIONS LOCATED IN THE COUNTY;

18 (2) HAVE NOT:

19(I) SELECTED AN ELECTRICITY SUPPLIER OTHER THAN THE20STANDARD OFFER SERVICE SUPPLIER; OR

21 (II) REFUSED TO PARTICIPATE IN THE AGGREGATION 22 ACTIVITIES OF THE COUNTY, MUNICIPAL CORPORATION, OR GROUP OF COUNTIES 23 OR GROUP OF MUNICIPAL CORPORATIONS; AND

- 24 (3) ARE NOT LOCATED IN THE SERVICE TERRITORY OF:
- 25 (I) A MUNICIPAL ELECTRIC UTILITY; OR
- 26 (II) AN ELECTRIC COOPERATIVE.
- $27 \quad 7-306.$
- 28 (a) (1) In this section the following words have the meanings indicated.

29 (4) "Eligible customer-generator" means a customer that owns and 30 operates, leases and operates, or contracts with a third party that owns and operates a 31 biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydro 32 electric generating facility that:

1 (i) is located on the customer's premises or contiguous property; $\mathbf{2}$ (ii) is interconnected and operated in parallel with an electric 3 company's transmission and distribution facilities; and 4 (iii) is intended primarily to offset all or part of the customer's own $\mathbf{5}$ electricity requirements. 6 "Net energy metering" means measurement of the difference between (7)7 the electricity that is supplied by an electric company and the electricity that is generated by an eligible customer-generator and fed back to the electric grid over the eligible 8 customer-generator's billing period. 9 10 The electric company shall calculate net energy metering in accordance (f) (1)11 with this subsection. 12(5)(i) An eligible customer-generator under paragraph (4) of this 13subsection may accrue net excess generation for a period: 141. not to exceed 12 months; and that ends with the billing cycle that is complete 152. immediately prior to the end of April of each year. 16 17(ii) The electric company shall carry forward net excess generation 18 until: 19 the eligible customer-generator's consumption of 1. 20electricity from the grid eliminates the net excess generation; or 212. the accrual period under subparagraph (i) of this 22paragraph expires. 23(iii) The dollar value of net excess generation shall be equal to 1. 24the generation or commodity portion of the rate that the eligible customer-generator would have been charged by the electric company averaged over the previous 12-month period 2526ending with the billing cycle that is complete immediately prior to the end of April multiplied by the number of kilowatt-hours of net excess generation. 27282. For customers served by A COMMUNITY CHOICE 29AGGREGATOR OR an electricity supplier, the dollar value of the net excess generation shall be equal to the generation or commodity rate that the customer would have been charged 30 by the COMMUNITY CHOICE AGGREGATOR OR electricity supplier multiplied by the 31number of kilowatt-hours of net excess generation. 32

1 (H) AN ELIGIBLE CUSTOMER-GENERATOR UNDER A NET ENERGY 2 METERING CONTRACT MAY PARTICIPATE IN THE AGGREGATION ACTIVITIES OF A 3 COMMUNITY CHOICE AGGREGATOR UNDER § 7–510.3 OF THIS TITLE.

4 **[(h)] (I)** On or before September 1 of each year, the Commission shall report to 5 the General Assembly, in accordance with § 2–1257 of the State Government Article, on the 6 status of the net metering program under this section, including:

7 (1) the amount of capacity of electric generating facilities owned and 8 operated by eligible customer–generators in the State by type of energy resource;

9 (2) based on the need to encourage a diversification of the State's energy 10 resource mix to ensure reliability, whether the rated generating capacity limit in subsection 11 (d) of this section should be altered; and

- 12 (3) other pertinent information.
- $13 \quad 7-306.2.$

14 (d) (1) (i) The Commission shall establish a pilot program for a Community 15 Solar Energy Generating System Program.

16 (ii) The structure of the pilot program is as provided in this 17 subsection.

18

(2) All rate classes may participate in the pilot program.

19 (3) Subscribers served by electric standard offer service, COMMUNITY 20 CHOICE AGGREGATORS, and electricity suppliers may hold subscriptions to the same 21 community solar energy generating system.

22 7-507.

(a) A person, other than an electric company providing standard offer service
under § 7–510(c) of this subtitle [or], a municipal electric utility serving customers solely
in its distribution territory, OR A COMMUNITY CHOICE AGGREGATOR UNDER § 7–510.3
OF THIS SUBTITLE, may not engage in the business of an electricity supplier in the State
unless the person holds a license issued by the Commission.

 $28 \quad 7-510.$

29 $f(f) \triangleq EXCEPT AS PROVIDED IN § 7-510.3 OF THIS SUBTITLE, A county or$ 30 municipal corporation may not act as an aggregator unless the Commission determines31 there is not sufficient competition within the boundaries of the county or municipal32 corporation.]

6

1 **7–510.3.**

2 (A) IN THIS SECTION, "SMALL COMMERCIAL ELECTRIC CUSTOMER" MEANS 3 A COMMERCIAL ELECTRIC CUSTOMER THAT HAS A PEAK ELECTRIC LOAD OF NOT 4 MORE THAN 25 KILOWATTS.

5 (B) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

6 (C) (1) THERE IS A COMMUNITY CHOICE AGGREGATION PILOT 7 PROGRAM.

8 (2) BEGINNING OCTOBER 1, 2021, OCTOBER 1, 2022, A COUNTY OR 9 MUNICIPAL-CORPORATION-OR GROUP OF COUNTIES OR MUNICIPAL CORPORATIONS 10 MAY FORM OR JOIN A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION.

11 (C) (D) (1) AT LEAST 60 DAYS BEFORE INITIATING THE PROCESS TO 12 JOIN OR FORM A COMMUNITY CHOICE AGGREGATOR, A COUNTY OR MUNICIPAL 13 CORPORATION SHALL:

14

(I) DEVELOP AN AGGREGATION PLAN;

15 (II) GIVE WRITTEN NOTICE OF THE AGGREGATION PLAN TO 16 EACH RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMER IN THE 17 JURISDICTION <u>COUNTY</u>;

18(III) PUBLISH A FAIR SUMMARY OF THE AGGREGATION PLAN IN19AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN THE JURISDICTION20COUNTY;

21(IV)IF THE JURISDICTION MAINTAINS A WEBSITE, PUBLISH THE22FULL TEXT OF THE AGGREGATION PLAN ON THE WEBSITE; AND

(V) GIVE, FOR THE COMMISSION'S APPROVAL, WRITTEN NOTICE
 OF ITS INTENTION TO INITIATE A PROCESS TO JOIN OR FORM A COMMUNITY CHOICE
 AGGREGATOR.

26 (2) THE AGGREGATION PLAN SHALL:

27(I) DETAIL THE PROCESSES RELATED TO PARTICIPATING IN28THE AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR;

29 (II) CONTAIN INFORMATION ON THE OPERATIONS, FUNDING, 30 AND ORGANIZATIONAL STRUCTURE OF THE COMMUNITY CHOICE AGGREGATOR;

8 HOUSE BILL 561 1 (III) **PROVIDE DETAILS ON:** $\mathbf{2}$ 1. THE RATE SETTING AND COSTS TO PARTICIPANTS, INCLUDING AN ANALYSIS OF HISTORICAL AND FORECASTED TRENDS IN 3 4 ELECTRICITY PRICES AND A PURCHASING PLAN DESIGNED TO SAVE RATEPAYERS $\mathbf{5}$ MONEY; 6 2. METHODS THAT THE COMMUNITY CHOICE 7 AGGREGATOR MUST USE FOR ENTERING INTO AND TERMINATING AGREEMENTS 8 WITH OTHER ENTITIES: 9 3. THE RIGHTS AND RESPONSIBILITIES OF 10 PARTICIPATING ELECTRIC CUSTOMERS; AND 11 4. THE TERMINATION OF THE AGGREGATION PROGRAM, 12IF ANY; AND 13 (IV) PROVIDE FOR UNIVERSAL ELECTRICITY ACCESS, 14RELIABILITY, AND EQUITABLE TREATMENT OF ALL RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS IN THE JURISDICTION COUNTY. 1516 (1) AT LEAST 60 DAYS AFTER DEVELOPING AN AGGREGATION (D) (E) 17PLAN AND GIVING THE NOTICE REQUIRED UNDER SUBSECTION (C) (D) OF THIS SECTION, A COUNTY OR MUNICIPAL CORPORATION OR GROUP OF COUNTIES OR 18 **MUNICIPAL CORPORATIONS** MAY INITIATE THE PROCESS OF FORMING OR JOINING 19 20 A COMMUNITY CHOICE AGGREGATOR BY FILING WITH THE COMMISSION: 21**(I)** A NOTICE OF INTENT TO FORM OR JOIN A COMMUNITY 22**CHOICE AGGREGATOR;** 23(II) A COPY OF THE AGGREGATION PLAN DEVELOPED IN ACCORDANCE WITH SUBSECTION (C) (D) OF THIS SECTION; 2425(III) A DRAFT LOCAL LAW FORMING OR JOINING A COMMUNITY 26**CHOICE AGGREGATOR; AND** 27(IV) PROPOSED TERMS OF SERVICE, RATES, AND CATEGORIES OF CHARGES, FEES, OR OTHER COSTS TO CUSTOMERS UNRELATED TO THE ACTUAL 2829COST OF THE ELECTRICITY SUPPLY. 30 (2) THE NOTICE OF INTENT SHALL INCLUDE: 31(I) THE NAME OF EACH THE COUNTY OR MUNICIPAL 32**CORPORATION** IN THE COMMUNITY CHOICE AGGREGATOR; AND

1(II)WHETHER THE COUNTY OR MUNICIPAL CORPORATION IS2FORMING A COMMUNITY CHOICE AGGREGATOR OR JOINING AN EXISTING3COMMUNITY CHOICE AGGREGATOR.

- 4 (3) A COUNTY OR MUNICIPAL CORPORATION IS A COMMUNITY 5 CHOICE AGGREGATOR AFTER:
- 6 (I) SUBMITTING THE NOTICE OF INTENT AND AGGREGATION 7 PLAN REQUIRED UNDER THIS SUBSECTION;

8 (II) THE COMMISSION HAS APPROVED ITS AGGREGATION PLAN 9 AND PROPOSED TERMS FILED IN ACCORDANCE WITH PARAGRAPH (1)(IV) OF THIS 10 SUBSECTION; AND

11(III)ENACTING A LOCAL LAW THAT PROVIDES THAT THE COUNTY12OR MUNICIPAL CORPORATION SHALL ACT AS A COMMUNITY CHOICE AGGREGATOR.

13 (1) IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE (E) (F) 14 COMMISSION UNDER SUBSECTION (K) (L) OF THIS SECTION, IF A COUNTY OR 15**MUNICIPAL CORPORATION** ENACTS A LOCAL LAW TO ACT AS A COMMUNITY CHOICE AGGREGATOR, THE COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE OR 16 17 CAUSE ITS SELECTED ELECTRICITY SUPPLIER, IF ANY, TO PROVIDE WRITTEN NOTICE OF THE FORMATION OF THE COMMUNITY CHOICE AGGREGATOR TO ALL 18 19 RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS IN ITS 20JURISDICTION.

21 (2) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL 22 INCLUDE:

23 (I) THE IDENTITY AND COMMISSION–ISSUED LICENSE 24 NUMBERS OF ANY SELECTED ELECTRICITY SUPPLIER;

- 25
- (II) TERMS AND CONDITIONS OF SERVICE;
- 26 (III) NEW RATES, CHARGES, AND FEES FOR SERVICE UNDER THE 27 COMMUNITY CHOICE AGGREGATOR;
- (IV) A COMPARISON OF THE NEW RATES AND THE RATES UNDER
 THE CURRENT STANDARD OFFER SERVICE;
- 30(V)INFORMATION ON HOW TO ACCESS THE STANDARD OFFER31SERVICE AVAILABLE FROM AN ELECTRIC COMPANY; AND

1 (VI) THE TOTAL RENEWABLE COMPONENT OF THE ELECTRICITY 2 TO BE SUPPLIED THROUGH A COMMUNITY CHOICE AGGREGATOR, INCLUDING THE 3 SPECIFIC SOURCES OF ANY RENEWABLE ENERGY COMPARED TO THE 4 REQUIREMENTS UNDER CURRENT LAW, IF ANY.

5 (3) IN THE NOTICE REQUIRED UNDER THIS SUBSECTION, THE 6 COUNTY OR MUNICIPAL CORPORATION SHALL PROVIDE TO THE RESIDENTIAL AND 7 SMALL COMMERCIAL ELECTRIC CUSTOMERS IN HTS JURISDICTION THE COUNTY THE 8 OPPORTUNITY TO REFUSE TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF 9 THE COMMUNITY CHOICE AGGREGATOR:

10 (I) BY RETURN SUBMISSION OF THE NOTICE TO THE 11 COMMUNITY CHOICE AGGREGATOR AND THE ELECTRIC COMPANY INDICATING THE 12 CUSTOMER'S DECISION TO REFUSE TO PARTICIPATE IN THE AGGREGATION 13 ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR; OR

14(II) BY CONTRACTING FOR SERVICE WITH A RETAIL15ELECTRICITY SUPPLIER OR BY CHOOSING STANDARD OFFER SERVICE FROM AN16ELECTRIC COMPANY.

17 (4) A COUNTY OR MUNICIPAL CORPORATION THAT ENACTS A LOCAL 18 LAW TO ACT AS A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION MAY NOT 19 EXCLUDE FROM THE ABILITY TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF 20 THE COMMUNITY CHOICE AGGREGATOR:

21(I) ANY RESIDENTIAL OR SMALL COMMERCIAL ELECTRIC22CUSTOMER IN HTS JURISDICTION THE COUNTY; OR

(II) FOR THE PROVISION OF ELECTRIC SERVICE FOR FACILITIES
 LOCATED WITHIN THE JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR,
 ANY GOVERNMENTAL ENTITY.

26 (F) (G) A RESIDENTIAL OR SMALL COMMERCIAL ELECTRIC CUSTOMER IS 27 DEEMED TO HAVE GIVEN PERMISSION TO THE COUNTY OR MUNICIPAL 28 CORPORATION TO ACT ON THE CUSTOMER'S BEHALF AS A COMMUNITY CHOICE 29 AGGREGATOR:

30(1) WHEN THE COUNTY OR MUNICIPAL CORPORATION RECEIVES31FROM THE CUSTOMER:

32 (I) A REPLY FROM THE NOTICE REQUIRED UNDER SUBSECTION 33 (E) (F) OF THIS SECTION BY WHICH THE CUSTOMER EXPLICITLY GRANTS 34 PERMISSION FOR THE CUSTOMER TO RECEIVE SERVICE WITH THE COMMUNITY 35 CHOICE AGGREGATOR; OR 1 (II) AN APPLICATION TO RECEIVE SERVICE WITH THE 2 COMMUNITY CHOICE AGGREGATOR;

3 (2) IN THE CASE OF A CUSTOMER RECEIVING STANDARD OFFER
 4 SERVICE, WITHIN 30 DAYS AFTER THE NOTICE REQUIRED BY SUBSECTION (E) (F) OF
 5 THIS SECTION IS GIVEN IF:

6 (I) THE COUNTY OR MUNICIPAL CORPORATION HAS NOT 7 RECEIVED A RETURNED NOTICE BY THAT DATE; OR

8 (II) AFTER THE CREATION OF THE COMMUNITY CHOICE 9 AGGREGATOR AND RECEIPT OF THE NOTICE, THE CUSTOMER HAS NOT CONTRACTED 10 WITH A RETAIL ELECTRICITY SUPPLIER OR CONTACTED AN ELECTRIC COMPANY TO 11 SELECT STANDARD OFFER SERVICES; OR

12 (3) ON APPLYING FOR NEW ELECTRIC SERVICE WITHIN THE 13 TERRITORY SERVED BY THE COMMUNITY CHOICE AGGREGATOR, UNLESS THE 14 CUSTOMER HAS:

15(I)CONTRACTED WITH A RETAIL ELECTRICITY SUPPLIER FOR16SERVICE; OR

17(II)CONTACTED AN ELECTRIC COMPANY TO SELECT STANDARD18OFFER SERVICE.

19 (G) (H) EXCEPT FOR A CONTRACT THAT AUTOMATICALLY RENEWS, AT
 20 THE END OF A CONTRACT TERM WITH AN ELECTRICITY SUPPLIER A RESIDENTIAL OR
 21 SMALL COMMERCIAL ELECTRIC CUSTOMER IN THE JURISDICTION OF A COMMUNITY
 22 CHOICE AGGREGATOR SHALL BE AUTOMATICALLY ENROLLED AS A PARTICIPANT IN
 23 THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR UNLESS
 24 THE CUSTOMER:

(1) GIVES WRITTEN NOTICE TO THE COUNTY OR MUNICIPAL
 CORPORATION DECLINING TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF
 THE COMMUNITY CHOICE AGGREGATOR; OR

28(2)CONTRACTS FOR SERVICE WITH A RETAIL ELECTRICITY SUPPLIER29OR CONTACTS AN ELECTRIC COMPANY TO SELECT STANDARD OFFER SERVICE.

30 (H) (I) (1) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT A
 31 RESIDENTIAL OR SMALL COMMERCIAL ELECTRIC CUSTOMER IN THE JURISDICTION
 32 OF THE COUNTY OR MUNICIPAL CORPORATION COUNTY FROM CHOOSING AT ANY
 33 TIME:

1(1)TO ENTER INTO A CONTRACT WITH AN ELECTRICITY2SUPPLIER OTHER THAN THE COMMUNITY CHOICE AGGREGATOR; OR

3(H) (2)THE STANDARD OFFER SERVICE OFFERED BY AN4ELECTRIC COMPANY.

5 (2) A COMMUNITY CHOICE AGGREGATOR MAY IMPOSE A PENALTY ON
 6 AN ELECTRIC CUSTOMER FOR OPTING OUT OF PARTICIPATION IN THE
 7 AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR ONLY IF THE
 8 ELECTRIC CUSTOMER OPTS OUT OF PARTICIPATION MORE THAN 180 DAYS AFTER
 9 THE CUSTOMER IS ENROLLED AS A PARTICIPANT.

10 (I) (J) A COMMUNITY CHOICE AGGREGATOR MAY NOT ASSESS ANY NEW 11 FEE, TAX, OR OTHER CHARGE IN THE AGGREGATION CHARGES OR RATES THAT IS 12 NOT RELATED TO THE COST OF:

13 (1) PROVIDING ELECTRICITY SUPPLY AND ELECTRICITY SUPPLY 14 SERVICE, INCLUDING SERVICE FROM A GENERATING STATION OWNED BY THE 15 COMMUNITY CHOICE AGGREGATOR;

16 (2) PROMOTING THE USE OF RENEWABLE ENERGY; AND

17 (3) PROVIDING AND PROMOTING ENERGY EFFICIENCY MEASURES 18 THAT ARE COMPLEMENTARY TO THOSE OFFERED IN ACCORDANCE WITH § 7–211 OF 19 THIS TITLE.

20 (J) (K) (1) EXCEPT FOR THE PURPOSES OF MEETING THE 21 REQUIREMENTS OF THE RENEWABLE ENERGY PORTFOLIO STANDARD UNDER 22 SUBTITLE 7 OF THIS TITLE, A COMMUNITY CHOICE AGGREGATOR MAY NOT BE 23 CONSIDERED TO BE AN ELECTRICITY SUPPLIER UNDER § 7–507(A) OF THIS 24 SUBTITLE.

25 (2) (I) A COMMUNITY CHOICE AGGREGATOR MAY OWN AN 26 ELECTRIC GENERATING FACILITY OR AN ELECTRIC STORAGE FACILITY IN 27 ACCORDANCE WITH THIS ARTICLE IF THE FACILITY IS DESIGNED TO PROVIDE 28 ENERGY PRIMARILY FOR USE BY THE PARTICIPANTS OF THE COMMUNITY CHOICE 29 AGGREGATOR.

(II) WHEN A COMMUNITY CHOICE AGGREGATOR BUILDS OR
 ACQUIRES AN ELECTRIC GENERATING FACILITY OR ELECTRIC STORAGE FACILITY,
 THE COMMUNITY CHOICE AGGREGATOR SHALL SUBMIT TO THE COMMISSION A PLAN
 FOR THE USE OR DISPOSITION OF THE FACILITY IF THE COMMUNITY CHOICE
 AGGREGATOR IS DISSOLVED.

1 (3) A COMMUNITY CHOICE AGGREGATOR MAY CONTRACT FOR 2 SERVICE FROM AN ELECTRIC GENERATING FACILITY IN ACCORDANCE WITH THIS 3 ARTICLE IF THE AMOUNT OF CONTRACTED ELECTRICITY SUPPLY FROM THE 4 FACILITY IS NOT GREATER THAN THE AMOUNT ESTIMATED TO BE NECESSARY TO 5 MEET THE ELECTRICAL DEMAND OF THE PARTICIPANTS OF THE COMMUNITY 6 CHOICE AGGREGATOR.

7 (K) (L) (1) BASED ON A DETERMINATION OF THE MITIGATION OF 8 VOLUMETRIC RISK, THE COMMISSION MAY ESTABLISH BY ORDER OR REGULATION A 9 SCHEDULE, WHICH MAY NOT EXCEED A PERIOD OF 2 YEARS, BY WHICH A COMMUNITY 10 CHOICE AGGREGATOR MAY TRANSFER LOAD FROM STANDARD OFFER SERVICE TO 11 RETAIL OR WHOLESALE CONTRACTS UNDER AN AGGREGATION PLAN.

12 (2) THE COMMISSION SHALL CONSIDER THE IMPACTS TO THE PRICE 13 AND STABILITY OF THE PROCUREMENT OF STANDARD OFFER SERVICE WHEN 14 CONSIDERING A SCHEDULE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

15 (L) (M) (1) A COUNTY OR MUNICIPAL CORPORATION THAT IS FORMING 16 OR JOINING A COMMUNITY CHOICE AGGREGATOR IS DEEMED TO HAVE OBTAINED 17 ELECTRIC CUSTOMER AUTHORIZATION TO RETRIEVE PREENROLLMENT USAGE 18 DATA FOR RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS IN THE 19 JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR COUNTY.

20 (2) IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE 21 COMMISSION, AN ELECTRIC COMPANY SHALL PROVIDE TO A COMMUNITY CHOICE 22 AGGREGATOR ANY RELEVANT DATA FOR CUSTOMERS IN THE JURISDICTION OF THE 23 COMMUNITY CHOICE AGGREGATOR, INCLUDING:

24

- (I) PREENROLLMENT USAGE DATA; AND
- 25 26 DATA.
- (II) ANY OTHER APPROPRIATE BILLING AND ELECTRICAL LOAD

27 (3) AN ELECTRIC COMPANY SHALL PROVIDE TO A COUNTY OR
 28 MUNICIPALITY THAT IS FORMING OR JOINING A COMMUNITY CHOICE AGGREGATOR
 29 DATA UNDER THIS SUBSECTION AS FOLLOWS:

30(I) ONLY AGGREGATE DATA WHEN THE COUNTY OR31MUNICIPALITY INITIATES THE PROCESS OF JOINING OR FORMING A COMMUNITY32CHOICE AGGREGATOR; AND

33(II)ANY CUSTOMER-SPECIFIC DATA AFTER THE AGGREGATION34PLAN IS APPROVED BY THE COMMISSION.

1 (M) (N) THE COMMISSION SHALL REVIEW APPLICABLE FEES, REQUEST 2 FORMATS, AND THE FORMAT OF DATA PROVIDED TO FACILITATE THE INTENT OF 3 THIS SECTION.

4 (N) (O) THE COMMISSION SHALL ESTABLISH PROCEDURES FOR AN 5 ELECTRIC CUSTOMER THAT IS RECEIVING ELECTRICITY SUPPLY THROUGH A 6 COMMUNITY CHOICE AGGREGATOR TO RECEIVE ANY BILL ASSISTANCE CREDIT OR 7 ARREARAGE ASSISTANCE TO WHICH THE CUSTOMER MAY BE ENTITLED UNDER § 8 7–512.1 OF THIS SUBTITLE OR ANY OTHER FEDERAL OR STATE BILL AND 9 ARREARAGE ASSISTANCE ADMINISTERED BY THE OFFICE OF HOME ENERGY 10 PROGRAMS.

11 (O) (P) THE COMMISSION MAY ALLOCATE THE PORTION OF DELINQUENT 12 ACCOUNT RECEIVABLES THAT IS ATTRIBUTABLE TO ELECTRICITY SUPPLY BETWEEN 13 THE ELECTRIC CUSTOMERS PARTICIPATING IN THE AGGREGATION ACTIVITIES OF A 14 COMMUNITY CHOICE AGGREGATOR AND THE ELECTRIC CUSTOMERS THROUGHOUT 15 THE ELECTRIC COMPANY'S SERVICE TERRITORY IF THE COMMISSION DETERMINES 16 THAT:

17 (1) THE AMOUNT OF DELINQUENT ACCOUNTS RECEIVABLE 18 ATTRIBUTABLE TO ELECTRIC CUSTOMERS RECEIVING STANDARD OFFER SERVICE IS 19 PROJECTED TO INCREASE TO AN EXTENT THAT WILL MATERIALLY ADVERSELY 20 IMPACT THE COST OF PROVIDING STANDARD OFFER SERVICE; AND

21 (2) THE PROJECTED INCREASE IN THE AMOUNT OF DELINQUENT 22 ACCOUNTS RECEIVABLE ATTRIBUTABLE TO ELECTRIC CUSTOMERS RECEIVING 23 STANDARD OFFER SERVICE IS DIRECTLY OR INDIRECTLY CAUSED BY THE 24 MIGRATION OF A SUBSTANTIAL NUMBER OF ELECTRIC CUSTOMERS FROM 25 STANDARD OFFER SERVICE TO PARTICIPATION IN THE AGGREGATION ACTIVITIES 26 OF A COMMUNITY CHOICE AGGREGATOR.

27 (P) (Q) (1) AN ELECTRIC COMPANY SHALL PROVIDE BILLING SERVICES 28 FOR A COMMUNITY CHOICE AGGREGATOR.

29(2)BILLS SENT TO ELECTRIC CUSTOMERS THAT PARTICIPATE IN THE30AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR SHALL31IDENTIFY THE COMMUNITY CHOICE AGGREGATOR AS THE ELECTRICITY SUPPLIER.

32 (3) THE COMMISSION SHALL DETERMINE THE TERMS AND 33 CONDITIONS UNDER WHICH THE ELECTRIC COMPANY PROVIDES METERING, 34 BILLING, COLLECTION, AND CUSTOMER SERVICES TO A COMMUNITY CHOICE 35 AGGREGATOR AND ELECTRIC CUSTOMERS THAT PARTICIPATE IN THE 36 AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR. 1 (Q) (R) (1) THE COMMISSION SHALL BY REGULATION ESTABLISH 2 STANDARDS AND PROCEDURES TO PROTECT THE CONSUMER RIGHTS OF 3 RESIDENTIAL CUSTOMERS WITHIN THE TERRITORY OF A COMMUNITY CHOICE 4 AGGREGATOR THAT RECEIVE ELECTRICITY SUPPLY THROUGH THE COMMUNITY 5 CHOICE AGGREGATOR.

- 6 (2) THE REGULATIONS SHALL PROHIBIT DISCRIMINATION AGAINST A
 7 CUSTOMER OR ON THE BASIS OF THE LOCATION OF THE CUSTOMER.
- 8 (S) (1) THE PILOT PROGRAM SHALL:

9

(I) <u>BEGIN ON THE EARLIER OF:</u>

101.THE DATE THAT A COUNTY GIVES NOTICE TO THE11COMMISSION OF ITS INTENTION TO INITIATE A PROCESS TO FORM A COMMUNITY12CHOICE AGGREGATOR, IN ACCORDANCE WITH SUBSECTION (D)(1)(V) OF THIS13SECTION; OR

- 14 <u>2.</u> <u>JANUARY 1, 2023; AND</u>
- 15(II)END 7 YEARS AFTER THE BEGINNING DATE, BUT NOT16SOONER THAN DECEMBER 31, 2030.

17(2)ON OR BEFORE DECEMBER 31 OF THE SIXTH YEAR AFTER THE18BEGINNING OF THE PILOT PROGRAM, THE COMMISSION SHALL, IN ACCORDANCE19WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, REPORT TO THE GENERAL20ASSEMBLY ON THE STATUS AND EFFECTIVENESS OF THE PILOT PROGRAM.

21 (R) (T) ON OR BEFORE JULY 1, 2021, JULY 1, 2022, THE COMMISSION 22 SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION, INCLUDING 23 REGULATIONS FOR:

- 24 (1) CONSUMER PROTECTION;
- 25 (2) <u>PROCEDURES TO CONSIDER AND REVIEW THE ANALYSIS OF</u>
 26 <u>HISTORICAL AND FORECASTED TRENDS IN ELECTRICITY PRICES AND A PURCHASING</u>
 27 <u>PLAN DESIGNED TO SAVE RATEPAYERS MONEY SUBMITTED BY COUNTY;</u>

28 (3) A TARIFF STRUCTURE FOR COMMUNITY CHOICE AGGREGATION 29 NONCOMMODITY FEES AND CHARGES, INCLUDING A CAP ON ANY POTENTIAL EXIT 30 FEE;

$1 \\ 2 \\ 3 \\ 4 \\ 5$	(3) (4) A PROTOCOL FOR DATA EXCHANGE BETWEEN COMMUNITY CHOICE AGGREGATORS, RETAIL SUPPLIERS, AND ELECTRIC COMPANIES, INCLUDING PROHIBITIONS ON THE COMMUNITY CHOICE AGGREGATOR FROM SHARING, DISCLOSING, OR OTHERWISE MAKING ACCESSIBLE TO A THIRD PARTY A CUSTOMER'S PERSONAL INFORMATION;
6 7 8	(4) (5) PROCEDURES BY WHICH A COMMUNITY CHOICE AGGREGATOR MAY TRANSFER LOAD FROM STANDARD OFFER SERVICE TO RETAIL OR WHOLESALE CONTRACTS UNDER AN AGGREGATION PLAN;
9 10 11	(5) (6) THE METHOD BY WHICH THE COST OF DELINQUENT ACCOUNTS OF A COMMUNITY CHOICE AGGREGATOR MAY BE RECOVERED FROM CUSTOMERS;
$12 \\ 13 \\ 14$	(6) (7) PROCEDURES FOR ENROLLING A CUSTOMER FOR SERVICE WITH A COMMUNITY CHOICE AGGREGATOR ON EXPIRATION OF THE CUSTOMER'S RETAIL SUPPLY CONTRACT;
$\begin{array}{c} 15\\ 16\end{array}$	(7) (8) PROCEDURES TO PROTECT CUSTOMER'S PRIVACY AND CONFIDENTIAL DATA COLLECTED OR HELD BY A COMMUNITY CHOICE AGGREGATOR;
17 18 19	(8) (9) PROCEDURES TO MITIGATE ANY RISK TO STANDARD OFFER SERVICE CUSTOMERS CAUSED BY THE POTENTIAL FOR CUSTOMERS TO MIGRATE FROM A COMMUNITY CHOICE AGGREGATOR TO STANDARD OFFER SERVICE;
20 21 22 23	(9) (10) PROCEDURES BY WHICH A COMMUNITY CHOICE AGGREGATOR MAY BE DISSOLVED, INCLUDING PROCEDURES FOR THE TRANSFER OF CUSTOMERS TO STANDARD OFFER SERVICE AND THE RESALE OF CONTRACTED ELECTRICITY SUPPLY; AND
24	(10) (11) PROCEDURES TO REQUIRE THAT:
$25 \\ 26 \\ 27$	(I) A COMMUNITY CHOICE AGGREGATOR THAT TRANSFERS ALL CUSTOMERS BACK TO STANDARD OFFER SERVICE IS CONSIDERED TO BE DISSOLVED; AND
28 29 30 31	(II) IF A COMMUNITY CHOICE AGGREGATOR IS CONSIDERED TO BE DISSOLVED, IT MAY NOT BE REFORMED EXCEPT THROUGH THE PROCESS OF FORMING A NEW COMMUNITY CHOICE AGGREGATOR IN ACCORDANCE WITH THIS SECTION.
32 33 34	SECTION 3. <u>AND BE IT FURTHER ENACTED</u> , That it is the intent of the General <u>Assembly that</u> , in accordance with the Maryland Constitution, before any legislation may take effect that would expand the community choice aggregation program to be available

- in jurisdictions other than that authorized for Montgomery County under this Act, the
 legislation shall be submitted by referendum to the voters of the affected jurisdictions.
- 3 <u>SECTION 4.</u> AND BE IT FURTHER ENACTED, That this Act shall take effect 4 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.