

SENATE BILL 131

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(PRE-FILED)

2lr0443
CF HB 228

By: **Senator Kelley**

Requested: September 8, 2021

Introduced and read first time: January 12, 2022

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 12, 2022

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Rate Suspension Proceedings**

3 FOR the purpose of ~~authorizing~~ altering the number of days the Public Service Commission
4 may initially suspend a new rate or change in rate proposed by a public service
5 company; repealing the Commission’s authority to extend the rate suspension for a
6 certain number of days if the Commission makes a certain finding; authorizing the
7 Commission to extend the rate suspension ~~proceedings~~ for a certain number of days
8 if the filing is for an alternative form of ratemaking for an electric company, gas
9 company, electric and gas company, or telephone a public service company; and
10 generally relating to the rate suspension proceedings of the Public Service
11 Commission.

12 BY repealing and reenacting, without amendments,
13 Article – Public Utilities
14 Section 4–204(a) and (b)(1)
15 Annotated Code of Maryland
16 (2020 Replacement Volume and 2021 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Public Utilities
19 Section 4–204(b)(2)
20 Annotated Code of Maryland
21 (2020 Replacement Volume and 2021 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 4–204.

5 (a) (1) The Commission may suspend, effective immediately and without
6 formal proceedings, any new rate or change in rate proposed by a public service company.

7 (2) Unless suspended by the Commission, and subject to § 4–203 of this
8 subtitle, a new rate or change in rate proposed by a public service company takes effect on
9 the date specified in the rate application.

10 (3) The Commission shall furnish to the public service company proposing
11 a rate a written statement of the reasons for the suspension.

12 (b) (1) The Commission promptly shall institute proceedings to consider
13 whether the suspended rate is a just and reasonable rate.

14 (2) The Commission may:

15 (i) suspend the rate initially for not more than ~~150~~ **180** days after
16 the proposed effective date; and

17 (ii) ~~1. extend the suspension for an additional 30 days if the~~
18 ~~Commission finds that the proceedings cannot be completed within the initial suspension~~
19 ~~period; OR~~

20 ~~2. EXTEND THE PROCEEDINGS SUSPENSION FOR UP TO~~
21 ~~AN ADDITIONAL 120 90 DAYS IF THE FILING IS FOR AN ALTERNATIVE FORM OF~~
22 ~~RATEMAKING FOR AN ELECTRIC COMPANY, A GAS COMPANY, AN ELECTRIC AND GAS~~
23 ~~COMPANY, OR A TELEPHONE A PUBLIC SERVICE COMPANY.~~

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2022.