SENATE BILL 131

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 _____

AN ACT concerning

Public Service Commission – Rate Suspension Proceedings

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

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

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 4–204(b)(2)
Annotated Code of Maryland
(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.
SENA TE BILL 131

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

Article – Public Utilities

4–204.

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

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

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

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

(2) The Commission may:

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

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

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

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