

HB1035/653521/1

BY: Delegate Szeliga

AMENDMENTS TO HOUSE BILL 1035, AS AMENDED
(First Reading File Bill)

AMENDMENT NO. 1

On page 2 of the Economic Matters Committee Amendments (HB1035/123320/1), in line 12 of Amendment No. 1, after “circumstances;” insert “repealing on electric and gas bills a certain surcharge used to encourage and promote the efficient use and conservation of energy in support of certain greenhouse gas emissions reduction goals and targets;”.

On page 1 of the bill, in line 28, after “(i)” insert “and 7-222(e)”.

On page 3 of the Economic Matters Committee Amendments, in line 10 of Amendment No. 1, after “7-216(a).” insert “7-222(d).”.

On page 4 of the Economic Matters Committee Amendments, strike line 10 in its entirety and substitute “Section 9-20B-05(e), (f)(4), and (i)”.

AMENDMENT NO. 2

On page 13 of the Economic Matters Committee Amendments, in line 22 of Amendment No. 2, after “**PLAN.**” insert:

“7-222.”

(d) The Commission shall encourage and promote the efficient use and conservation of energy in support of the greenhouse gas emissions reduction goals and targets required under Title 2, Subtitle 12 of the Environment Article, established by the Commission under § 7-223(b) of this subtitle, and specified in § 7-224(a)(2) of this subtitle by:

(1) requiring each electric company and gas company to establish any program or service that the Commission determines to be appropriate and cost-effective; AND

(2) [adopting rate-making policies that provide, through a surcharge line item on customer bills:

(i) full cost recovery of reasonably incurred costs for programs and services established under item (1) of this subsection, including full recovery on a current basis on or before January 1, 2028;

(ii) on or before December 31, 2032, the elimination of any unpaid costs and unamortized costs that:

1. A. existed on December 31, 2024; or

B. were incurred before January 1, 2028; and

2. were accrued for the purpose of achieving statutory targets for annual incremental gross energy savings;

(iii) compensation for any unpaid costs and unamortized costs under item (ii) of this item at not more than each electric company's and each gas company's average cost of outstanding debt; and

(iv) reasonable financial performance incentives and penalties for investor-owned electric companies and gas companies, as appropriate; and

(3) ensuring that adoption of electric customer choice under Subtitle 5 of this title and gas customer choice under Subtitle 6 of this title does not adversely impact these goals and targets.

[(e) The Commission shall, by regulation or order, require each electric company and each gas company subject to subsection (a) of this section that has submitted to the Commission, on or before July 1, 2024, a plan for achieving electricity or gas savings and demand reduction targets to disclose the following information in a form and format readily understandable to the average customer:

(1) that the surcharge imposed in accordance with subsection (d) of this section includes the cost of paying down the unpaid costs and unamortized costs that were accrued over time by programs and services required by the Commission dating back to 2008; and

(2) the period of time that the surcharge will include excess charges to pay down the unpaid costs and unamortized costs.]”.

On page 43 of the Economic Matters Committee Amendments, after line 6 of Amendment No. 2, insert:

“(f) The Administration shall use the Fund:

(4) to provide rate relief by offsetting electricity rates of residential customers[, including an offset of surcharges imposed on ratepayers under Title 7, Subtitle 2, Part II of the Public Utilities Article];”.