

# HOUSE BILL 540

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6lr1739

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By: **Delegates Lehman, Charkoudian, Embry, Fennell, Hill, Palakovich Carr, Phillips, Ruth, Terrasa, White Holland, Woods, and Ziegler**

Introduced and read first time: January 27, 2026

Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Investor-Owned Electric, Gas, and Gas and Electric Companies – Utility Rate**  
3 **Changes**  
4 **(Public Service Company Transparency Act)**

5 FOR the purpose of prohibiting certain electric, gas, and gas and electric companies from  
6 initiating a proceeding that may lead to a rate change unless the company provides  
7 customers with a certain notice; requiring certain electric, gas, and gas and electric  
8 companies to include a certain statement in each customer bill and automatic  
9 payment e-mail and distribute a certain annual rate report in a certain manner;  
10 requiring the Public Service Commission, in consultation with the Office of People's  
11 Counsel, to develop and publish an annual rate trend report for certain electric, gas,  
12 and gas and electric companies operating in the State; requiring the Office of People's  
13 Counsel to take certain actions under certain circumstances; and generally relating  
14 to electric, gas, and gas and electric company rate changes.

15 BY adding to  
16 Article – Public Utilities  
17 Section 4–203.1  
18 Annotated Code of Maryland  
19 (2025 Replacement Volume and 2025 Supplement)

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

22 **Article – Public Utilities**

23 **4–203.1.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(A) (1) THIS SECTION APPLIES ONLY TO A PUBLIC SERVICE COMPANY THAT IS AN INVESTOR-OWNED ELECTRIC COMPANY, A GAS COMPANY, OR A COMBINATION GAS AND ELECTRIC COMPANY.

(2) THIS SECTION DOES NOT APPLY TO A MUNICIPAL ELECTRIC UTILITY OR AN ELECTRIC COOPERATIVE.

(B) IN ADDITION TO THE REQUIREMENTS SET FORTH IN § 4-203 OF THIS SUBTITLE, UNLESS OTHERWISE ORDERED BY THE COMMISSION, A PUBLIC SERVICE COMPANY MAY NOT INITIATE A PROCEEDING THAT MAY LEAD TO A RATE CHANGE UNLESS THE PUBLIC SERVICE COMPANY:

(1) NOTIFIES CUSTOMERS, THROUGH A BILL INSERT OR SEPARATE E-MAIL:

(I) THAT THE PUBLIC SERVICE COMPANY IS INITIATING A PROCEEDING THAT MAY LEAD TO A RATE CHANGE;

(II) OF THE RELEVANT PROCEDURAL DATES; AND

(III) WHERE TO FIND INFORMATION REGARDING THE RATE CHANGE ON THE COMMISSION'S WEBSITE; AND

(2) PREPARES AND PUBLISHES A 10-YEAR RATE TREND REPORT THAT:

(I) INCLUDES A VISUAL GRAPHIC DEPICTING THE 10-YEAR RATE CHANGE TREND, INCLUDING AN INDICATION OF THE EFFECTIVE DATE OF THE RATE CHANGE AND INCREMENT BY WHICH THE RATE CHANGED;

(II) IDENTIFIES COSTS ASSOCIATED WITH TRANSMISSION, DISTRIBUTION, AND STANDARD-OFFER OR COMMODITY SERVICE; AND

(III) ACCOUNTS FOR ALL CUSTOMER BILL LINE ITEMS, INCLUDING RATE RIDERS.

(C) A PUBLIC SERVICE COMPANY SHALL INCLUDE IN EACH RETAIL CUSTOMER'S BILL AND AUTOMATIC PAYMENT E-MAIL THE FOLLOWING STATEMENT:

"THE MARYLAND GENERAL ASSEMBLY ESTABLISHED THE PUBLIC SERVICE COMMISSION TO REGULATE PUBLIC SERVICE COMPANIES DOING BUSINESS IN MARYLAND. TODAY, THE COMMISSION SUPERVISES AND REGULATES THE ACTIVITIES OF PRIVATELY OWNED PUBLIC SERVICE COMPANIES, INCLUDING GAS

1 AND ELECTRIC COMPANIES, TO ENSURE THEIR ACTIVITIES ARE CONSISTENT WITH  
2 THE PUBLIC INTEREST. FOR INFORMATION ON HOW TO PARTICIPATE IN OR  
3 OBSERVE A PROCEEDING BEFORE THE PUBLIC SERVICE COMMISSION, PLEASE  
4 VISIT THE PUBLIC SERVICE COMMISSION'S WEBSITE.”.

5 (D) (1) ON OR BEFORE JANUARY 1, 2028, AND EACH JANUARY 1  
6 THEREAFTER, THE COMMISSION, IN CONSULTATION WITH THE OFFICE OF  
7 PEOPLE'S COUNSEL, SHALL DEVELOP AND PUBLISH ON ITS WEBSITE AN ANNUAL  
8 RATE REPORT FOR EACH PUBLIC SERVICE COMPANY OPERATING IN THE STATE.

9 (2) THE ANNUAL RATE REPORT SHALL EXPLAIN, IN NONTECHNICAL  
10 TERMS, THE OBSERVED RATE TRENDS.

11 (3) THE COMMISSION SHALL USE INFORMATION PROVIDED BY A  
12 PUBLIC SERVICE COMPANY IN A RATE TREND REPORT SUBMITTED UNDER  
13 SUBSECTION (B) OF THIS SECTION TO DEVELOP THE ANNUAL RATE REPORT.

14 (4) EACH YEAR, A PUBLIC SERVICE COMPANY SHALL:

15 (I) DISTRIBUTE TO EACH RETAIL CUSTOMER A BILL INSERT  
16 THAT INCLUDES THE PUBLIC SERVICE COMPANY'S ANNUAL RATE REPORT  
17 DEVELOPED UNDER SUBSECTION (B) OF THIS SECTION; AND

18 (II) POST THE ANNUAL RATE REPORT ON THE PUBLIC SERVICE  
19 COMPANY'S WEBSITE.

20 (5) THE OFFICE OF PEOPLE'S COUNSEL SHALL BRING A CASE TO THE  
21 COMMISSION IF THE OFFICE DETERMINES THAT AN ANNUAL RATE REPORT  
22 PUBLISHED BY THE COMMISSION INCLUDES INCORRECT OR MISLEADING  
23 INFORMATION.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 October 1, 2026.