

SENATE BILL 749

C5

6lr1875

By: **Senators Gile, Beidle, Hettleman, and Watson**

Introduced and read first time: February 6, 2026

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Residential Retail Customer and Retail Electricity Suppliers – Definition and**
3 **Alterations**

4 FOR the purpose of defining the term “residential retail customer” for the purchase of gas
5 or electricity; altering the requirements for residential electricity suppliers to use a
6 certain calculation of an electric company’s standard offer service rate in setting the
7 price for electricity under certain circumstances; authorizing residential electricity
8 suppliers to use consolidated billing; altering the requirements of the Public Service
9 Commission in approving the price of electricity marketed as green power; and
10 generally relating to electricity and gas.

11 BY repealing and reenacting, without amendments,
12 Article – Public Utilities
13 Section 1–101(a) and 7–707(a) through (c)
14 Annotated Code of Maryland
15 (2025 Replacement Volume and 2025 Supplement)

16 BY adding to
17 Article – Public Utilities
18 Section 1–101(dd–1)
19 Annotated Code of Maryland
20 (2025 Replacement Volume and 2025 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – Public Utilities
23 Section 7–510(d) and 7–707(d)
24 Annotated Code of Maryland
25 (2025 Replacement Volume and 2025 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Public Utilities

2 1-101.

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

15 7-510.

16 (d) (1) This subsection applies to residential electricity supply other than
17 supply offered through:

18 (i) standard offer service;

(ii) the Department of General Services' sale of energy under § 7-704.4 of this title; or

21 (iii) a community choice aggregator under § 7–510.3 of this subtitle.

22 (2) A residential electricity supplier:

23 (i) may offer electricity, other than green power, only at a price that
24 does not exceed the [trailing 12-month average of the] electric company's standard offer
25 service rate in the electric company's service territory as of the date of agreement with the
26 customer;

27 (ii) may offer residential electricity supply only for a term not to
28 exceed 12 months at a time;

29 (iii) may, for electricity supply other than green power, automatically
30 renew the term only if the electricity supplier provides notice to the customer 90 days before
31 and 30 days before renewal;

(iv) may offer green power that meets the requirements of § 7-707 of this title, but may not automatically renew the term with the customer;

(v) subject to paragraph (3) of this subsection, may not offer a variable rate other than a rate that adjusts for seasonal variation not more than twice in a single year; [and]

(vi) may not pay a commission or other incentive-based compensation to an energy salesperson for enrolling customers; AND

(VII) MAY USE CONSOLIDATED BILLING.

9 (3) Paragraph (2)(v) of this subsection does not prohibit the offer and use
10 of time-of-use rates that establish different rates for periods within a single day.

14 7-707.

19 (b) This section does not apply to:

(1) the Department of General Services when the Department of General Services sells energy under § 7-704.4 of this subtitle;

22 (2) a community choice aggregator under § 7-510.3 of this title; or

23 (3) an electricity supplier when supplying electricity to commercial retail
24 electric customers.

25 (c) An electricity supplier that supplies electricity to residential retail electric
26 customers may not market electricity as green power unless:

27 (1) the percentage of the electricity being offered, or the equivalent number
28 of renewable energy credits associated with the electricity being marketed as green power,
29 that is eligible for inclusion in meeting the renewable energy portfolio standard equals or
30 exceeds the greater of:

31 (i) 51%; or

(2) the Commission approves the price of the electricity being marketed as green power in accordance with subsection (d) of this section; and

5 (3) the electricity supplier submits an application to the Commission that:

(i) describes the electricity being marketed as green power, including the green power source and percentage of the electricity that is green power;

8 (ii) describes how the green power complies with State law and
9 regulations; and

10 (iii) includes any other information the Commission considers
11 necessary.

12 (d) (1) The price approved by the Commission under subsection (c)(2) of this
13 section shall be determined through:

14 (i) a proceeding held in accordance with paragraph (2) of this
15 subsection; or

16 (ii) a proceeding held in accordance with paragraph (3) of this
17 subsection.

18 (2) (i) Each year the Commission shall hold a proceeding to set a price
19 per megawatt-hour for electricity marketed as green power under this section that may
20 not be exceeded by an electricity supplier except as provided in paragraph (3) of this
21 subsection.

22 (ii) Subject to paragraph (4) of this subsection, the price set by the
23 Commission under subparagraph (i) of this paragraph may:

1. exceed the maximum price per megawatt-hour that is
authorized under § 7-510(d)(2)(i) of this title; and

28 (iii) During a proceeding held under subparagraph (i) of this
29 paragraph, the Commission:

30 1. shall consider:

3 C. [the state in which the electricity was generated; and

4 D.] applicable market data; and

11 (ii) Subject to paragraph (4) of this subsection, at a proceeding held
12 under this paragraph the Commission may set a price per megawatt-hour that is higher
13 than the price determined in the proceeding held under paragraph (2) of this subsection for
14 an electricity supplier if:

27 (iii) During a proceeding held under this paragraph, the Commission
28 shall consider:

3. the amount of electricity that is eligible for inclusion in
meeting the renewable energy portfolio standard; AND

4 5.] applicable market data.

14 1. demonstrates that the approved price represents only the
15 actual price of the green power; and

(iii) If the Commission has approved for 3 consecutive years a price for green power that exceeds 150% of the maximum price per megawatt-hour that is authorized under § 7–510(d)(2)(i) of this title, the Commission shall include in the annual report required under subparagraph (ii) of this paragraph:

1. information on market conditions that necessitate the
approved price of the green power that exceeds 150% of the maximum price per
megawatt-hour that is authorized under § 7-510(d)(2)(i) of this title; and

28 (5) The Commission:

29 (i) shall annually review a price approved under paragraph (3) of
30 this subsection; and

31 (ii) may, on its own initiative, or on petition by the Office of People's
32 Counsel, require an electricity supplier offering green power under a price established
33 under paragraph (3) of this subsection to demonstrate that the price continues to meet the
34 requirements of paragraph (3) of this subsection.

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