

HOUSE BILL 597

C5

(11r0309)

ENROLLED BILL

— *Economic Matters/Finance* —

Introduced by **Delegate Davis**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Customer Education on Customer Choice**

3 FOR the purpose of requiring the Public Service Commission to educate consumers
4 about customer choice in accordance with a certain provision of law; requiring
5 the Commission to host a certain section on its Web site related to customer
6 choice; requiring the Web site to comply with certain standards and to include
7 certain information; requiring the Commission to maintain a certain secure
8 portal on its Web site to receive certain information from certain electricity
9 suppliers; requiring certain electricity suppliers to submit certain information
10 to the Commission through the secure portal at certain intervals; requiring the
11 Commission to work with certain media outlets to develop and air certain public
12 service announcements related to customer choice; requiring the Commission to
13 recover certain costs in accordance with a certain provision of law; requiring the
14 Commission to submit a certain report to the General Assembly each year by a
15 certain date; requiring the Commission to convene a certain workgroup for a

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.

Italics indicate opposite chamber/conference committee amendments.



1 certain purpose; providing for the membership and duties of the workgroup;
 2 requiring the workgroup to report to the Commission and certain committees by
 3 a certain date; requiring the Commission to ~~implement~~ take action on certain
 4 recommendations as soon as practicable ~~by a certain date~~; and generally
 5 relating to customer choice.

6 BY repealing and reenacting, without amendments,
 7 Article – Public Utilities
 8 Section 7–504 and 7–505(a)(1)
 9 Annotated Code of Maryland
 10 (2010 Replacement Volume)

11 BY adding to
 12 Article – Public Utilities
 13 Section 7–510.1
 14 Annotated Code of Maryland
 15 (2010 Replacement Volume)

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

18 **Article – Public Utilities**

19 7–504.

20 The General Assembly finds and declares that the purpose of this subtitle is to:

21 (1) establish customer choice of electricity supply and electricity
 22 supply services;

23 (2) create competitive retail electricity supply and electricity supply
 24 services markets;

25 (3) deregulate the generation, supply, and pricing of electricity;

26 (4) provide economic benefits for all customer classes; and

27 (5) ensure compliance with federal and State environmental
 28 standards.

29 7–505.

30 (a) (1) In assessing and approving each electric company's restructuring
 31 plan, and overseeing the transition process and regulation of the restructured electric
 32 industry, the Commission shall provide that the transition to a competitive electricity
 33 supply and electricity supply services market shall be orderly, maintain electric
 34 system reliability, and ensure compliance with federal and State environmental

1 regulations, be fair to customers, electric company investors, customers of municipal
2 electric utilities, electric companies, and electricity suppliers, and provide economic
3 benefits to all customer classes.

4 **7-510.1.**

5 **(A) THE COMMISSION SHALL EDUCATE CUSTOMERS ABOUT CUSTOMER**
6 **CHOICE IN ACCORDANCE WITH THIS SECTION.**

7 **(B) (1) THE COMMISSION SHALL:**

8 **(I) HOST AND REGULARLY UPDATE A USER-FRIENDLY**
9 **CUSTOMER CHOICE EDUCATION SECTION ON ITS WEB SITE THAT COMPLIES**
10 **WITH STANDARDS ISSUED UNDER § 508 OF THE FEDERAL REHABILITATION ACT**
11 **OF 1973; AND**

12 **(II) PROMINENTLY DISPLAY A LINK TO THAT SECTION OF**
13 **THE COMMISSION'S WEB SITE ON THE HOME PAGE OF THE COMMISSION'S WEB**
14 **SITE.**

15 **(2) THE CUSTOMER CHOICE EDUCATION SECTION OF THE**
16 **COMMISSION'S WEB SITE SHALL INCLUDE:**

17 **(I) A CLEAR AND SIMPLE DESCRIPTION OF:**

18 **1. CUSTOMER CHOICE;**

19 **2. HOW CUSTOMERS CAN SHOP FOR AN ELECTRICITY**
20 **SUPPLIER;**

21 **3. WHAT KINDS OF COMPETITIVE ELECTRICITY**
22 **SUPPLY OPTIONS CUSTOMERS HAVE, INCLUDING:**

23 **A. RENEWABLE ENERGY SUPPLY;**

24 **B. FIXED AND VARIABLE PRICING; AND**

25 **C. OTHER COMMON CONTRACT TERMS;**

26 **4. THE CURRENT PRICE OF STANDARD OFFER**
27 **SERVICE IN THE SERVICE TERRITORY OF EACH ELECTRIC COMPANY; AND**

1 **5. THE CONTINUING ROLE OF THE ELECTRIC**
2 **COMPANY IN DELIVERING ELECTRICITY TO A CUSTOMER THAT CHOOSES AN**
3 **ELECTRICITY SUPPLIER;**

4 **(II) FACT SHEETS THAT:**

5 1. ANSWER COMMON QUESTIONS ABOUT CUSTOMER
6 CHOICE;

7 2. ADVISE CUSTOMERS ABOUT THE QUESTIONS
8 CUSTOMERS SHOULD ASK WHEN CHOOSING AN ELECTRICITY SUPPLIER; AND

9 3. LIST THE KINDS OF DISCLOSURES THAT
10 ELECTRICITY SUPPLIERS MUST MAKE TO CUSTOMERS; ~~AND~~

11 **(III) A LIST OF ALL ELECTRICITY SUPPLIERS THAT HAVE**
12 **OPEN OFFERS TO SUPPLY ELECTRICITY IN A CUSTOMER'S SERVICE AREA,**
13 **SEARCHABLE BY SERVICE TERRITORY OR JURISDICTION; AND**

14 **(IV) A STATEMENT INDICATING THAT CUSTOMERS WHO HAVE**
15 **ENTERED INTO A CONTRACT WITH A COMPETITIVE ELECTRICITY SUPPLIER FOR**
16 **ELECTRICITY SUPPLY SHOULD BE AWARE OF THE ENDING DATE OF THE**
17 **CONTRACT SO THAT THEY MAY DETERMINE, BEFORE BEING PLACED INTO A**
18 **RENEWAL CONTRACT WITH THE CURRENT ELECTRICITY SUPPLIER, WHETHER**
19 **THEY WOULD LIKE TO:**

20 1. SHOP FOR AN ALTERNATIVE ELECTRICITY
21 SUPPLIER;

22 2. RENEW WITH THE CURRENT ELECTRICITY
23 SUPPLIER; OR

24 3. RETURN TO THE STANDARD OFFER SERVICE
25 WHICH MAY BE OFFERED AT A PRICE THAT IS LESS THAN THE RENEWAL PRICE
26 OFFERED BY THE CURRENT ELECTRICITY SUPPLIER.

27 **(3) TO THE EXTENT PRACTICABLE, THE LIST OF ELECTRICITY**
28 **SUPPLIERS REQUIRED UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION SHALL**
29 **INCLUDE:**

30 **(I) THE TERMS OF ANY OPEN OFFERS TO SUPPLY**
31 **ELECTRICITY, INCLUDING:**

32 1. THE DURATION OF THE CONTRACT;

1 **2. THE COST OF ELECTRICITY PER KILOWATT-HOUR;**
2 **AND**

3 **3. ANY CANCELLATION FEES; AND**

4 **(II) A LINK TO THE WEB SITE OF EACH ELECTRICITY**
5 **SUPPLIER WITH AN OPEN OFFER TO SUPPLY ELECTRICITY.**

6 **(C) (1) TO ENSURE THE CURRENCY AND ACCURACY OF INFORMATION**
7 **REQUIRED UNDER SUBSECTION (B)(2)(III) OF THIS SECTION, THE COMMISSION**
8 **SHALL MAINTAIN A SECURE PORTAL ON ITS WEB SITE TO RECEIVE**
9 **INFORMATION ABOUT OFFERS TO SUPPLY ELECTRICITY FROM ELECTRICITY**
10 **SUPPLIERS.**

11 **(2) AT LEAST ONCE EACH MONTH, EACH ELECTRICITY SUPPLIER**
12 **WITH AN OPEN OFFER TO SUPPLY ELECTRICITY SHALL SUBMIT DETAILED**
13 **INFORMATION ABOUT THE OFFER TO THE COMMISSION THROUGH A SECURE**
14 **PORTAL MAINTAINED BY THE COMMISSION ON THE COMMISSION'S WEB SITE**
15 **FOR THIS PURPOSE.**

16 **(D) THE COMMISSION SHALL WORK WITH MEDIA OUTLETS IN THE**
17 **STATE TO DEVELOP AND AIR PUBLIC SERVICE ANNOUNCEMENTS PUBLICIZING**
18 **CUSTOMER CHOICE AND DIRECTING CUSTOMERS TO THE COMMISSION'S WEB**
19 **SITE FOR ADDITIONAL INFORMATION.**

20 **(E) THE COMMISSION SHALL RECOVER THE COST OF COMPLYING WITH**
21 **THIS SECTION IN ACCORDANCE WITH § 2-110 OF THIS ARTICLE.**

22 **(F) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE COMMISSION**
23 **SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**
24 **ARTICLE, TO THE GENERAL ASSEMBLY ON THE STATUS AND SUCCESS OF THE**
25 **COMMISSION'S EFFORTS TO EDUCATE CUSTOMERS ABOUT CUSTOMER CHOICE**
26 **UNDER THIS SECTION.**

27 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

28 **(a) On or before July 1, 2011, the Public Service Commission shall convene a**
29 **workgroup of interested parties to advise it on improvements to the Commission's Web**
30 **site information and presentation concerning customer choice as required by this Act,**
31 **and on additional information and methods of consumer education that can effectively**
32 **supplement the requirements of this Act.**

33 **(b) The membership of the workgroup described under subsection (a) of this**
34 **section shall be appointed by the Public Service Commission and include:**

- 1 (1) the Attorney General or the Attorney General's designee;
 - 2 (2) the Secretary of Disabilities or the Secretary's designee;
 - 3 (3) the People's Counsel or the People's Counsel's designee;
 - 4 (4) the Director of the Maryland Energy Administration or the
5 Director's designee;
 - 6 (5) appropriate staff of the Public Service Commission;
 - 7 (6) a representative of each electric company;
 - 8 (7) at least one representative of electricity suppliers serving
9 residential customers in the State;
 - 10 (8) a representative of the Retail Energy Supply Association;
 - 11 (9) a Web site design specialist;
 - 12 (10) an educational production and publication consultant;
 - 13 (11) representatives of residential and small commercial retail electric
14 customers; and
 - 15 (12) any other individuals whom the Public Service Commission
16 considers necessary or appropriate to the charge of the workgroup.
- 17 (c) The workgroup shall:
- 18 (1) study issues relating to:
 - 19 (i) development and improvement of materials concerning
20 customer choice on the Commission's Web site; and
 - 21 (ii) options and recommendations for development of a customer
22 education program by public units and private entities that will provide pertinent
23 factual information to the public on the availability of customer choice, especially to
24 customer classes that largely rely on standard offer service and to groups that may not
25 adequately be able to rely on Web site-based sources of information on customer
26 choice such as senior citizens and individuals with certain disabilities, and additional
27 questions and issues that switching to or among competitive suppliers may present;
 - 28 (2) develop recommendations for implementing suggested changes,
29 new materials, and public outreach, including as appropriate a schedule for

1 developing, funding, and deploying customer education and materials on customer
2 choice; and

3 (3) on or before December 31, 2011, report its recommendations to the
4 Commission and, in accordance with § 2-1246 of the State Government Article, the
5 Senate Finance Committee and the House Economic Matters Committee.

6 (d) ~~On or before March 31, 2012~~ As soon as practicable, the Commission shall
7 ~~implement~~ take action on the recommendations of the workgroup.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 June 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.