

**Department of Legislative Services**  
Maryland General Assembly  
2018 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 218  
Economic Matters

(Prince George's County Delegation)

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**Prince George's County - Utility Services - Master Meters**  
**PG 429-18**

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This bill prohibits, in Prince George’s County, the Public Service Commission (PSC) or the Washington Suburban Sanitary Commission (WSSC) from authorizing the use of a master meter in certain circumstances. Specifically, a master meter may not be authorized in a residential multiple occupancy unit that is constructed for, or converted to, condominium or cooperative ownership. In the case of a residential multiple occupancy building in which master meters were previously authorized, the intended conversion to condominium or cooperative ownership may not take effect until individual meters have been installed. **The bill takes effect June 1, 2018.**

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State finances or operations.

**Local Effect:** WSSC revenues and expenditures increase beginning as early as FY 2018, as discussed below.

**Small Business Effect:** Meaningful.

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**Analysis**

**Current Law:** In Prince George’s County, electric and gas service is provided by utilities that are regulated by PSC. Water/sewer service is generally provided by WSSC, a bi-county agency, except for individuals receiving services from a municipality or those on well and septic systems.

Generally, PSC may not authorize an electric or gas company to service an occupancy unit in a new residential multiple occupancy building, a new shopping center, or a new housing unit constructed, managed, or operated by a local housing authority unless the building or unit has individually metered service or submetering for each individually leased or owned occupancy unit or shopping center unit. This requirement applies to multi-tenant buildings and shopping centers constructed after July 1, 1978. There are two broad exceptions, subject to specified conditions:

- PSC may allow the use of a master electric or gas meter for heating or cooling without requiring individual metering or submetering in a residential multiple occupancy building as long as the utility bill for the services is included in the rent for that unit. Each individually leased or owned occupancy unit must have individual metered service for other energy services and must directly receive the utility bill for those other services.
- PSC may authorize an electric or gas company to provide service for central heating or cooling systems to an occupancy unit or shopping center unit without individual metering or submetering if PSC is satisfied that the service will result in a substantial net savings of energy.

There is no State prohibition against master water meters in residential multiple occupancy units.

**Background:** The bill addresses an issue that can arise in condominiums, which are individually owned, if utility service is billed by a master meter. In such a case, a master meter bill may be due, but one or more occupancy units may have not paid.

WSSC is one of the largest water/sewer utilities in the United States, with a network of nearly 5,742 miles of fresh water pipeline and more than 5,546 miles of sewer pipeline. Its service area spans nearly 1,000 square miles in Prince George's and Montgomery counties. WSSC serves 1.8 million residents through approximately 475,000 customer accounts.

**Local Fiscal Effect:** Water/sewer service is provided by WSSC in Prince George's County, except for residents and businesses receiving services from a municipality or those on well and septic systems. Currently, WSSC installs a single master meter in residential multiple occupancy units. Going forward, WSSC must install individual meters in new and converted condominium and similar units, as required, and also bill those meters. WSSC advises that it needs to amend its plumbing and fuel gas code, as well as alter the permitting process and fee structure to comply with the bill. Therefore, given the effective date of the bill, WSSC revenues and expenditures increase beginning as early as fiscal 2018. The amount cannot be reliably estimated at this time.

**Small Business Effect:** Small businesses involved in the construction of and/or conversion to condominiums and similar multiunit residential housing in Prince George's County must ensure that each unit is individually metered for each utility service. This likely represents an increased cost of construction/conversion for these companies.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Public Service Commission; Prince George's County; Washington Suburban Sanitary Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - January 23, 2018  
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Analysis by: Stephen M. Ross

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510