

HOUSE BILL 397

C5, M5

(PRE-FILED)

11r0680
CF SB 31

By: **Delegate Lierman**

Requested: September 23, 2020

Introduced and read first time: January 13, 2021

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 25, 2021

CHAPTER _____

1 AN ACT concerning

2 **Electricity and Gas – Energy Suppliers – Supply Offers**

3 FOR the purpose of requiring the Public Service Commission, on or before a certain date,
4 to establish an administrative process to approve supply offers for electricity or gas
5 for households in the State that receive energy assistance through a program
6 administered by the Office of Home Energy Programs; prohibiting, beginning on a
7 certain date, ~~approved supply offers~~ unless the Commission has approved the supply
8 offer, a third-party retail supplier from offering to provide electricity or gas to certain
9 households, renewing a certain contract, or charging a certain fee; requiring,
10 beginning on a certain date, approved supply offers to include a certain commitment
11 for the entirety of the term of the supply offer to charge certain rates for certain
12 customers; prohibiting a third-party retail supplier whose offer is not approved by
13 the Commission from receiving certain funds or charging a certain customer under
14 certain circumstances; authorizing the Office of Home Energy Programs to allocate
15 funding toward supplier charges as part of arrearage assistance for certain contracts;
16 requiring the Commission to publish a certain annual report on or before a certain
17 date; ~~requiring the Commission to create certain test cases to verify certain supplier~~
18 ~~billing practices;~~ and generally relating to electricity and natural gas supply.

19 BY adding to
20 Article – Public Utilities
21 Section 4-308
22 Annotated Code of Maryland
23 (2020 Replacement Volume and 2020 Supplement)

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.



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

3 Article – Public Utilities

4 4-308.

5 (A) ON OR BEFORE JANUARY 1, ~~2022~~ 2023, THE COMMISSION SHALL BY
6 REGULATION OR ORDER ESTABLISH AN ADMINISTRATIVE PROCESS TO APPROVE
7 SUPPLY OFFERS FOR ELECTRICITY OR GAS FOR HOUSEHOLDS IN THE STATE THAT
8 RECEIVE ENERGY ASSISTANCE THROUGH A PROGRAM ADMINISTERED BY THE
9 OFFICE OF HOME ENERGY PROGRAMS.

10 (B) (1) BEGINNING JULY 1, ~~2022~~ 2023, ~~AN UNLESS THE COMMISSION HAS~~
11 APPROVED THE SUPPLY OFFER IN ACCORDANCE WITH SUBSECTION (A) OF THIS
12 SECTION, A THIRD-PARTY RETAIL SUPPLIER MAY NOT OFFER TO:

13 (I) PROVIDE ELECTRICITY OR GAS TO HOUSEHOLDS IN THE
14 STATE THAT HAVE RECEIVED ENERGY ASSISTANCE DURING THE PREVIOUS FISCAL
15 YEAR;

16 (II) RENEW A CONTRACT TO PROVIDE ELECTRICITY OR GAS TO
17 HOUSEHOLDS IN THE STATE THAT ~~ENROLL THE HOUSEHOLD~~ ARE ENROLLED IN AN
18 ENERGY ASSISTANCE PROGRAM ~~UNLESS THE COMMISSION APPROVES THE SUPPLY~~
19 ~~OFFER; OR~~

20 (III) CHARGE A TERMINATION FEE TO HOUSEHOLDS IN THE
21 STATE THAT HAVE RECEIVED ENERGY ASSISTANCE DURING THE PREVIOUS FISCAL
22 YEAR.

23 (2) AN APPROVED SUPPLY OFFER FROM A THIRD-PARTY RETAIL
24 SUPPLIER SHALL INCLUDE A COMMITMENT, FOR THE ENTIRETY OF THE TERM OF
25 THE SUPPLY OFFER, TO CHARGING AT OR BELOW THE STANDARD OFFER SERVICE
26 RATE OR GAS COMMODITY RATE FOR CUSTOMERS RECEIVING ENERGY ASSISTANCE.

27 (3) IF A THIRD-PARTY RETAIL SUPPLIER'S OFFER IS NOT APPROVED
28 BY THE COMMISSION, THE THIRD-PARTY RETAIL SUPPLIER MAY NOT:

29 (I) RECEIVE FUNDS FROM AN ENERGY PROGRAM
30 ADMINISTERED BY THE OFFICE OF HOME ENERGY PROGRAMS; OR

31 (II) CHARGE A CUSTOMER RECEIVING ASSISTANCE FROM AN
32 ENERGY PROGRAM ADMINISTERED BY THE OFFICE OF HOME ENERGY PROGRAMS.

1 (C) THE OFFICE OF HOME ENERGY PROGRAMS MAY ALLOCATE FUNDING
2 TOWARD SUPPLIER CHARGES AS PART OF ARREARAGE ASSISTANCE FOR CONTRACTS
3 THAT PRECEDED A CUSTOMER'S APPLICATION FOR ENERGY ASSISTANCE FROM THE
4 OFFICE OF HOME ENERGY PROGRAMS.

5 (D) (1) ON OR BEFORE SEPTEMBER 1 EACH YEAR, THE COMMISSION
6 SHALL PUBLISH A REPORT ON THE COMMISSION'S WEBSITE THAT INCLUDES:

7 (I) THE NAMES AND THE TOTAL NUMBER OF SUPPLIERS THAT
8 APPLIED FOR APPROVAL TO SELL TO ENERGY ASSISTANCE HOUSEHOLDS;

9 (II) THE NAMES AND THE TOTAL NUMBER OF SUPPLIERS THAT
10 WERE APPROVED UNDER SUBSECTION (A) OF THIS SECTION;

11 (III) THE TOTAL NUMBER OF SUPPLIERS THAT WERE REJECTED,
12 IF ANY;

13 (IV) THE TOTAL NUMBER OF ENERGY ASSISTANCE HOUSEHOLDS
14 THAT WERE SIGNED UP WITH A THIRD-PARTY SUPPLIER, AS REPORTED BY THE
15 SUPPLIER;

16 (V) THE TOTAL NUMBER ~~OF "NEW ENROLLMENT" REQUESTS~~
17 ~~FOR ENERGY ASSISTANCE HOUSEHOLDS~~ OF SUBMITTED SUPPLIER ENROLLMENTS
18 THAT WERE DENIED BECAUSE THE SUPPLIER WAS NOT APPROVED TO SERVE
19 ENERGY ASSISTANCE HOUSEHOLDS, AS REPORTED BY THE UTILITY; AND

20 (VI) THE TOTAL NUMBER OF SELF-IDENTIFIED ENERGY
21 ASSISTANCE HOUSEHOLDS THAT FILED COMPLAINTS ABOUT THEIR THIRD-PARTY
22 SUPPLIER.

23 (2) THE COMMISSION SHALL SEND A COPY OF THE REPORT TO THE
24 OFFICE OF PEOPLE'S COUNSEL, THE OFFICE OF HOME ENERGY PROGRAMS, AND,
25 SUBJECT TO § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE SENATE
26 FINANCE COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE.

27 ~~(E) EACH YEAR THE COMMISSION SHALL CREATE TEST CASES FOR NEW~~
28 ~~ENROLLMENTS THAT SHALL BE RUN THROUGH EACH UTILITY'S BILLING AND~~
29 ~~ENROLLMENT SYSTEM ON A QUARTERLY BASIS TO VERIFY THAT SUPPLIERS ON THE~~
30 ~~APPROVED LIST ARE CORRECTLY CHARGING HOUSEHOLDS THAT RECEIVE ENERGY~~
31 ~~ASSISTANCE.~~

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
33 1, 2021.