

SENATE BILL 506

C5

1lr1685

By: **Senator Kelley**

Introduced and read first time: January 20, 2021

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Regulatory Assets – Prohibition**

3 FOR the purpose of prohibiting a public service company from receiving a rate of return on
4 a regulatory asset created as a result of conditions addressed by a certain declared
5 state of emergency; and generally relating to rates of recovery on regulatory assets.

6 BY repealing and reenacting, with amendments,
7 Article – Public Utilities
8 Section 4–501(a)
9 Annotated Code of Maryland
10 (2020 Replacement Volume and 2020 Supplement)

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

13 **Article – Public Utilities**

14 4–501.

15 (a) In its utility operations, a public service company may not:

16 (1) sell, render services, or furnish a commodity until the public service
17 company files and publishes its rate schedules in accordance with § 4–202 of this title; or

18 (2) demand or collect:

19 (i) compensation that differs from compensation specified in its rate
20 schedules that are in force at the time of the demand or collection; [or]

21 **(II) A RATE OF RETURN ON A REGULATORY ASSET CREATED AS**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 A RESULT OF CONDITIONS ADDRESSED BY A STATE OF EMERGENCY AS DECLARED BY
2 THE GOVERNOR IN ACCORDANCE WITH THE PROVISIONS OF LAW; OR

3 [(ii)] (III) a charge that violates this division.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2021.