

# SENATE BILL 881

C5

9lr1908

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By: **Senator Hershey**

Introduced and read first time: February 11, 2019

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Residential Electric Customers – Automatic Termination of Electricity Supply**  
3 **Contract**

4 FOR the purpose of providing that the enrollment of a certain electric customer in a certain  
5 plan or the participation of the customer in a certain program is deemed a material  
6 change in a certain contract; providing for the automatic termination, without  
7 penalty, of a contract for the provision of electricity supply between a certain  
8 residential electric customer and an electricity supplier under certain circumstances;  
9 requiring an electricity supplier to immediately refer a certain customer's account to  
10 the standard offer service available through a certain electric company under certain  
11 circumstances; providing that a customer is considered to have chosen standard offer  
12 service for electricity under certain circumstances; providing for the application of  
13 certain provisions of this Act; and generally relating to residential electricity supply.

14 BY adding to

15 Article – Public Utilities  
16 Section 7–507(r)  
17 Annotated Code of Maryland  
18 (2010 Replacement Volume and 2018 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – Public Utilities  
21 Section 7–510(c)(1)  
22 Annotated Code of Maryland  
23 (2010 Replacement Volume and 2018 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – Public Utilities  
26 Section 7–510(c)(2)  
27 Annotated Code of Maryland  
28 (2010 Replacement Volume and 2018 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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 7-507.

5 **(R) (1) THIS SUBSECTION APPLIES ONLY TO RESIDENTIAL ELECTRIC**  
6 **CUSTOMERS WHO ARE IN A CONTRACT WITH A COMPETITIVE ELECTRICITY SUPPLIER**  
7 **FOR ELECTRICITY SUPPLY.**

8 **(2) NOTWITHSTANDING ANY OTHER LAW, IF, IN ORDER TO AVOID**  
9 **SERVICE TERMINATION DUE TO THE FAILURE OF A RESIDENTIAL ELECTRIC**  
10 **CUSTOMER TO PAY THE CUSTOMER’S BILL, AN ELECTRIC COMPANY ENROLLS THE**  
11 **CUSTOMER IN A BILL PAYMENT PLAN OR THE CUSTOMER RECEIVES BILL**  
12 **ASSISTANCE THROUGH A UNIVERSAL SERVICE PROGRAM:**

13 **(I) THE ENROLLMENT IN A BILL PAYMENT PLAN OR**  
14 **PARTICIPATION IN A UNIVERSAL SERVICE PROGRAM IS DEEMED A MATERIAL**  
15 **CHANGE IN A CONTRACT FOR THE PROVISION OF ELECTRICITY SUPPLY BETWEEN AN**  
16 **ELECTRICITY SUPPLIER AND THE CUSTOMER;**

17 **(II) THE CONTRACT SHALL BE AUTOMATICALLY TERMINATED**  
18 **WITHOUT PENALTY TO THE CUSTOMER; AND**

19 **(III) THE ELECTRICITY SUPPLIER SHALL IMMEDIATELY REFER**  
20 **THE CUSTOMER’S ACCOUNT TO THE STANDARD OFFER SERVICE AVAILABLE**  
21 **THROUGH THE CUSTOMER’S ELECTRIC COMPANY UNDER § 7-510(C) OF THIS**  
22 **SUBTITLE.**

23 7-510.

24 (c) (1) Beginning on the initial implementation date, an electric company’s  
25 obligation to provide electricity supply and electricity supply service is stated by this  
26 subsection.

27 (2) Electricity supply purchased from a customer’s electric company is  
28 known as standard offer service. A customer is considered to have chosen the standard offer  
29 service if the customer:

30 (i) is not allowed to choose an electricity supplier under the phase  
31 in of customer choice in subsection (a) of this section;

- 1 (ii) contracts for electricity with an electricity supplier and it is not  
2 delivered;
- 3 (iii) cannot arrange for electricity from an electricity supplier;
- 4 (iv) does not choose an electricity supplier;
- 5 (v) chooses the standard offer service; or
- 6 (vi) has been denied service or referred to the standard offer service  
7 by an electricity supplier in accordance with § 7-507(e)(6) **OR (R)** of this subtitle.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2019.