

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

A BILL ENTITLED

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 from offering to provide electricity or gas to
8 certain households, renewing a certain contract, or charging a certain fee; requiring,
9 beginning on a certain date, approved supply offers to include a certain commitment
10 to charge certain rates for certain customers; prohibiting a third-party retail
11 supplier whose offer is not approved by the Commission from receiving certain funds
12 or charging a certain customer under certain circumstances; authorizing the Office
13 of Home Energy Programs to allocate funding toward supplier charges as part of
14 arrearage assistance for certain contracts; requiring the Commission to publish a
15 certain annual report on or before a certain date; requiring the Commission to create
16 certain test cases to verify certain supplier billing practices; and generally relating
17 to electricity and natural gas supply.

18 BY adding to

19 Article – Public Utilities

20 Section 4-308

21 Annotated Code of Maryland

22 (2020 Replacement Volume and 2020 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

24 That the Laws of Maryland read as follows:

25 **Article – Public Utilities**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 4-308.

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

7 (B) (1) BEGINNING JULY 1, 2022, AN APPROVED SUPPLY OFFER MAY NOT
8 OFFER TO:

9 (I) PROVIDE ELECTRICITY OR GAS TO HOUSEHOLDS IN THE
10 STATE THAT HAVE RECEIVED ENERGY ASSISTANCE DURING THE PREVIOUS FISCAL
11 YEAR;

12 (II) RENEW A CONTRACT TO PROVIDE ELECTRICITY OR GAS TO
13 HOUSEHOLDS IN THE STATE THAT ENROLL THE HOUSEHOLD IN AN ENERGY
14 ASSISTANCE PROGRAM UNLESS THE COMMISSION APPROVES THE SUPPLY OFFER;
15 OR

16 (III) CHARGE A TERMINATION FEE.

17 (2) AN APPROVED SUPPLY OFFER FROM A THIRD-PARTY RETAIL
18 SUPPLIER SHALL INCLUDE A COMMITMENT TO CHARGING AT OR BELOW THE
19 STANDARD OFFER SERVICE RATE OR GAS COMMODITY RATE FOR CUSTOMERS
20 RECEIVING ENERGY ASSISTANCE.

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

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

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

27 (C) THE OFFICE OF HOME ENERGY PROGRAMS MAY ALLOCATE FUNDING
28 TOWARD SUPPLIER CHARGES AS PART OF ARREARAGE ASSISTANCE FOR CONTRACTS
29 THAT PRECEDED A CUSTOMER'S APPLICATION FOR ENERGY ASSISTANCE FROM THE
30 OFFICE OF HOME ENERGY PROGRAMS.

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

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

3 **(II) THE NAMES AND THE TOTAL NUMBER OF SUPPLIERS THAT**
4 **WERE APPROVED UNDER SUBSECTION (A) OF THIS SECTION;**

5 **(III) THE TOTAL NUMBER OF SUPPLIERS THAT WERE REJECTED,**
6 **IF ANY;**

7 **(IV) THE TOTAL NUMBER OF ENERGY ASSISTANCE HOUSEHOLDS**
8 **THAT WERE SIGNED UP WITH A THIRD-PARTY SUPPLIER;**

9 **(V) THE TOTAL NUMBER OF “NEW ENROLLMENT” REQUESTS**
10 **FOR ENERGY ASSISTANCE HOUSEHOLDS THAT WERE DENIED BECAUSE THE**
11 **SUPPLIER WAS NOT APPROVED; AND**

12 **(VI) THE TOTAL NUMBER OF ENERGY ASSISTANCE HOUSEHOLDS**
13 **THAT FILED COMPLAINTS ABOUT THEIR THIRD-PARTY SUPPLIER.**

14 **(2) THE COMMISSION SHALL SEND A COPY OF THE REPORT TO THE**
15 **OFFICE OF PEOPLE’S COUNSEL, THE OFFICE OF HOME ENERGY PROGRAMS, AND,**
16 **SUBJECT TO § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE SENATE**
17 **FINANCE COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE.**

18 **(E) EACH YEAR THE COMMISSION SHALL CREATE TEST CASES FOR NEW**
19 **ENROLLMENTS THAT SHALL BE RUN THROUGH EACH UTILITY’S BILLING AND**
20 **ENROLLMENT SYSTEM ON A QUARTERLY BASIS TO VERIFY THAT SUPPLIERS ON THE**
21 **APPROVED LIST ARE CORRECTLY CHARGING HOUSEHOLDS THAT RECEIVE ENERGY**
22 **ASSISTANCE.**

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