

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1186

(Delegate Charkoudian)

Economic Matters

Education, Energy, and the Environment

Public Service Companies - Annual Report on Votes Cast at Meetings of
Regional Transmission Organizations

This bill requires each public service company that is a member of a regional transmission organization (RTO), as defined, to submit a report to the Public Service Commission (PSC) by February 1 of each year on any recorded vote cast by the company at a meeting of an RTO during the immediately preceding calendar year. The report must include all votes cast by the company, regardless of whether the vote is disclosed by the RTO, and a brief description explaining how each vote cast is in the interest of the public.

Fiscal Summary

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

Local Effect: All five municipal electric utilities, those in Berlin, Easton, Hagerstown, Thurmont, and Williamsport – are voting members at PJM Interconnection, LLC, the only applicable RTO. The companies can likely submit the required voting record information with existing resources. If not, local expenditures increase minimally. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: “Public service company” means a common carrier company, electric company, gas company, sewage disposal company, telegraph company, telephone company, water company, or any combination of public service companies. Public service companies are not required to submit RTO votes to PSC.

Additional Comments: PJM Interconnection, LLC is the RTO for all or parts of 13 states plus the District of Columbia, including Maryland. According to PJM, its members include electricity distributors, transmission and generator owners, organizations that can sell electricity to end-users, marketing firms, and end-use customers. PJM members take part in PJM’s stakeholder process, which provides a forum for those who have a stake in the wholesale electric industry to discuss and work through issues related to PJM markets, operations, public policies, and current and future industry matters. PJM’s stakeholder process – the Consensus-Based Issue Resolution strategy – uses [committees](#), subcommittees, user groups and task forces to conduct business.

Each family of companies may only select a single voting PJM member to participate in senior standing committees (*e.g.*, the Members Committee and the Markets and Reliability Committee). Affiliates may vote at senior task force and lower-level standing committee meetings.

All four Maryland investor-owned utilities are affiliate [members](#) of PJM, and all five Maryland municipal electric utilities are voting members of PJM, as is the Southern Maryland Electric Cooperative.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Public Service Commission; PJM Interconnection, LLC; Department of Legislative Services

Fiscal Note History: First Reader - March 7, 2023
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Analysis by: Stephen M. Ross

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