

JASON M. STANEK
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PUBLIC SERVICE COMMISSION

February 25, 2020

Chair Delores G. Kelley
Finance Committee
3 East Miller Senate Building
Annapolis, MD 21401

RE: INFORMATION – SB 315 – Electric Industry – Community Choice Energy

Dear Chair Kelley and Committee Members:

Senate Bill 315 would allow municipal and county governments, individually or jointly, to become Community Choice Aggregators (CCAs) and serve as default electricity suppliers for customers within their jurisdictions. Various technical concerns with last year's version of the legislation, as identified by the Maryland Public Service Commission (PSC), have been addressed in SB 315.

The PSC would determine a schedule, not to exceed two years, for each CCA to transfer load from Standard Offer Service (SOS) to the CCA. In order to implement this law, the Commission would be required to establish numerous procedures via regulation to satisfy its requirements. The Commission has communicated with the sponsor regarding the need for additional time beyond the bill's deadline of July 1, 2021 to adopt regulations.

The Commission would need to promulgate regulations on the following topics and others:

- provision of bill assistance (§7-510.3(n))
- customer services including billing and payment (§7-510.3(p)(3))
- consumer protections (§7-510.3(q)(1))
- authorization for a CCA to access pre-enrollment usage data of customers within its jurisdiction (§7-510.3(l)(2))

Each of these tasks would require a rulemaking before the Commission. In light of the complex and technical nature of the Commission's regulations, it is usually most effective to use a stakeholder working group to allow various constituencies to work towards a complete set of regulations for Commission consideration. While effective, this collaborative process can take several months or longer. Once completed regulations are presented to the Commission, the notice and comment period required under Maryland law takes several additional months.

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Thank you for your consideration of this information. Please contact Lisa Smith, Director of Legislative Affairs, at 410-336-6288 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. M. Stanek", with a long horizontal flourish extending to the right.

Jason M. Stanek
Chairman