

**STATE OF MARYLAND
OFFICE OF PEOPLE'S COUNSEL**

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BILL NO: **House Bill 741**
New and Changed Rates-Notice Period

COMMITTEE: **Economic Matters**

HEARING DATE: **February 21, 2013**

SPONSORS: **Delegate Carr**

POSITION: **Support**

House Bill 741 changes the time period for a public service company to give notice of a new rate or change in rate from thirty (30) days to twenty -two (22) business days. A business day is a day other than a Saturday, Sunday or legal holiday. The Office of People's Counsel (OPC) SUPPORTS House Bill 741 and requests a Favorable Report.

House Bill 741 will ensure that parties receive the benefit of the full notice period originally intended by the existing law. The notice period was designed to afford interested parties sufficient time to digest and analyze rate filings and make recommendations. Rate filings include not only applications for increases in distribution rates but any change in utility charges. Many of these requests are heard by the Public Service Commission at an Administrative Meeting held prior to the end of the 30 days period.

In months that have many holidays, parties are increasingly pressed for time to give a rate filing sufficient analysis. For example, if a company made a rate filing at 5 p.m. on November 1, 2012 (companies typically wait until the end of the business day to file), it is possible that the rate change would go into effect on December 1, 2012 under existing law. However, parties would have had only 16 business days to review and comment on the filing due to weekends and holidays/service reduction days. This Bill will ensure that parties get a full twenty-two business days for review.

OPC also understands that there is a Sponsor Amendment to prohibit notice of new rates or changes in rates after noon on a Friday or the day before a legal holiday. OPC supports that Amendment as well.