

COMMISSIONERS

STATE OF MARYLAND



W. KEVIN HUGHES
CHAIRMAN

HAROLD D. WILLIAMS
LAWRENCE BRENNER
ANNE E. HOSKINS
JEANNETTE M. MILLS

ANTHONY MYERS
EXECUTIVE DIRECTOR

LESLIE MOORE ROMINE
STAFF COUNSEL

ANNETTE B. GAROFALO
ASSISTANT STAFF COUNSEL

PUBLIC SERVICE COMMISSION

OFFICE OF STAFF COUNSEL

November 10, 2015

David J. Collins, Executive Secretary
Public Service Commission of Maryland
William Donald Schaefer Tower
6 St. Paul Street, 16th Floor
Baltimore, Maryland 21202

RE: Proposed Regulations under Pub. Utils. §§ 7-306.1 and 7-306.2

Dear Mr. Collins:

Enclosed for filing in the above-referenced matter are an original and 17 copies of Draft Regulations proposed for consideration as Subtitle 62 of Title 20 of the Code of Maryland Regulations ("COMAR"). These Draft Regulations are intended to meet the requirements of Sections 7-306.1 and 7-306.2 of the Public Utilities Article, *Maryland Code*. The Draft Regulations have been discussed within a stakeholder group of interested persons. However, the Draft Regulations do not represent a consensus position.

Also included are an original and 17 copies of the following: (1) a proposed revision to COMAR 20.32, which incorporates complaints regarding the Community Solar Pilot Program into the matters upon which the Commission's Office of External Relations entertains complaints; and (2) a proposed revision to COMAR 20.50.10, which clarifies the definition of customers qualifying for meter aggregation.

Staff requests that the enclosed Draft Regulations be scheduled for an Open Meeting and that a procedural schedule for comments and reply comments, if appropriate, be established.

Sincerely,

A handwritten signature in blue ink that reads "Annette B. Garofalo".

Annette B. Garofalo
Assistant Staff Counsel

Enclosures

cc: Community Solar Working Group

ALL NEW TEXT

Title 20

PUBLIC SERVICE COMMISSION

Subtitle 62 COMMUNITY SOLAR ENERGY GENERATION SYSTEMS

Chapter 01 General

Authority: Public Utilities Article, §§ 2-113, 2-121, 7-306, 7-306.1, and 7-306.2,
Annotated Code of Maryland

.01 Scope.

This subtitle is applicable to electric companies and subscriber organizations in service territories where customers have the ability to subscribe to a community solar energy generation system under a pilot program approved by the Commission.

.02 Definitions.

A. In this subtitle the following words have the meanings indicated.

B. Terms defined.

(1) "Agent" means a person who conducts marketing or sales activities, or both, on behalf of a subscriber organization. Agent includes an employee, a representative, an independent contractor, and a vendor. Agent includes subcontractors, employees, vendors, and representatives not directly under contract with the subscriber organization that conducts marketing or sales activities on behalf of the subscriber organization.

(2) "Baseline annual usage" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(3) "Commission" means the Public Service Commission of Maryland.

(4) "Community solar energy generating system" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(5) "Consent" means an agreement with an action communicated by the following:

(a) a written document with customer signature; or

(b) an electronic document with electronic signature.

(6) "Consumer" or "customer" means a retail electric customer account holder of a regulated electric company.

(7) "Contract Summary" means a summary of the material terms and conditions of a community solar pilot program subscriber contract on a form provided by the Commission.

(8) "Credit" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(9) "CSEGS" means a Community solar energy generating system.

(10) "Electric company" has the meaning stated in Public Utilities Article, §1-101, *Annotated Code of Maryland*.

(11) "Electronic transaction" means a standardized data protocol or electronic transmission medium that has been accepted by the Commission for use in Maryland.

(12) "Low income" means a subscriber whose gross annual household income is at or below 175 percent of the federal poverty level for the year of subscription.

(13) "Moderate income" means a subscriber whose gross annual household income is at or below 80 percent of the median income for Maryland for the year of subscription.

(14) "Personally identifiable information" means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or capable of being linked to a specific individual.

(15) "Program" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(16) "Public event" means an event open to the public where subscriptions to a Community Solar Energy Generation System are marketed or sold.

(17) "Security deposit" means any payment of money given to a subscription organization by a subscriber in order to protect the subscriber organization against nonpayment of future subscription fees, but does not include escrowed prepaid subscription fees.

(18) "Subscriber organization" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(19) "Subscription" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(20) "Unsubscribed energy" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

(21) "Utility" means an electric company as defined in §1-101 of the Public Utilities Article, *Annotated Code of Maryland*.

(22) "Virtual net energy metering" has the meaning stated in § 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*.

.03 Electric Company Compliance Plan.

A. An electric company shall file a plan and relevant tariffs for compliance with this subtitle within 45 days after this regulation becomes effective.

B. A municipal electric company or electric cooperative electing to participate in the pilot program shall file a plan and related tariffs for compliance with this subtitle within 45 days after notifying the Commission of that election.

.04 Waiver.

The Commission may waive a regulation in this subtitle for good cause shown.

ALL NEW TEXT

Title 20

PUBLIC SERVICE COMMISSION

Subtitle 62 COMMUNITY SOLAR ENERGY GENERATION SYSTEMS

Chapter 02 Pilot Program

.01 Pilot Program Structure.

A. Each electric company shall establish a program to accept and administer community solar energy generating system projects for a period of three years from the earlier of:

(1) the first date of application of a subscriber organization to operate a community solar energy generating system after the effective date of this subtitle; or,

(2) six months from the effective date of this subtitle.

B. An electric company shall apply bill credits and excess generation to subscribers' bills in accordance with applicable tariffs.

C. An electric company shall pay subscriber organizations for unsubscribed energy in accordance with applicable tariffs.

D. An electric company shall maintain program data and records as directed by the Commission.

.02 Program Generation Capacity.

A. Capacity Limit

(1) An electric company shall accept pilot program project applications until the statewide capacity of pilot projects has exceeded 300 MW as measured by the sum of the nameplate capacity of each project's inverter.

(2) After June 1, 2017, any person may petition the Commission to revise the capacity limit in Section A of this regulation.

(3) Completed projects or any project that has been accepted into an electric company's project queue shall not be removed from the program due to a change in the capacity limit.

B. Each electric company shall maintain a list of accepted projects and total pilot program capacity in its service territory.

C. Each electric company shall provide the list in Section B of this regulation to the Commission on the first business day after June 30 and December 31 of each year until the pilot is closed.

D. The Commission may determine zones where projects must be accepted by electric companies in excess of the limit described in Section A of this regulation.

E. The Commission may direct electric companies to close the program to new applications if the total statewide net-metered generation exceeds the limit described in §7-306(d) of the Public Utilities Article, *Annotated Code of Maryland*.

F. An electric company shall accept program applications from subscriber organization that operate solely for the subscription of low income and moderate income customers for the 3-year duration of the pilot program unless the total installed CSEGS capacity has exceeded 400MW.

.03 Number of Accounts

A CSEGS may subscribe as many accounts as needed to match the CSEGS's capacity.

.04 Subscription Credits.

A. A subscriber organization shall provide the electric company with a document indicating the proportion of a community solar energy generating system's output that shall be applied to each subscriber's bill.

B. An electric company shall determine the amount of kilowatt-hours to be credited to each subscriber by multiplying the subscriber's most recent generation proportion from Section A of this regulation by the metered output of the community solar energy generating system.

C. Application of subscription credits

(1) Unless otherwise directed by the Commission, an electric company may choose to apply the appropriate kilowatt-hour credit from Section B of this regulation to each subscriber's bill as either a reduction in metered kilowatt-hour use or a dollar credit to the subscriber's billed amount.

(2) An electric company shall choose the same method for all subscribers in a project.

D. If the electric company chooses to apply the credit from Section C of this regulation as a dollar amount, the electric company shall apply a credit no less than the value to the subscriber of the credit had it been applied to the subscriber's bill as a reduction in metered kilowatt-hours.

E. An electric company shall retain a record of a pilot project's kilowatt-hours applied to each subscriber's account for a period of three years.

F. Subscription credits shall carry over to the next month's bill until the earlier of;

(1) The subscriber's account is closed; or,

(2) The subscriber's last meter reading prior to the month of April.

G. Subscriber credits that are not carried over under Section F shall be handled as excess generation.

.05 Subscription Limitations.

A. A subscriber may not subscribe for an amount of energy that exceeds 200 percent of the value of the subscriber's annual baseline energy usage including all subscriptions and any net metered generation.

B. Multiple Subscriptions

(1) A customer may purchase multiple subscriptions from one or more CSEGS.

(2) A subscriber's total subscribed credits must comply with Section A of this regulation.

C. A subscriber may participate in net metering as described in §7-306 of the Public Utilities Article, *Annotated Code of Maryland*, such that the total of all net-metered generation and subscribed energy does not exceed 200 percent of the value of the subscriber's historic annual energy use.

.06 Credit Payments.

An electric company may not refund generation credits to customers except as electric bill credits or as payment for excess generation.

.07 Excess Generation.

A. An electric company shall pay a subscriber a dollar amount of excess generation as reasonably adjusted to exclude the distribution, transmission, and non-commodity portion of the customer's bill unless the electric company records subscriber credits as kilowatt-hours.

B. An electric company that serves electric retail choice customers shall pay the subscriber for kilowatt hours of excess generation at the lesser of the subscriber's retail supply rate or the Standard Offer Service rate in effect at the time of payment.

C. An electric company that does not provide Standard Offer Service shall pay a subscriber for kilowatt-hours of excess generation at the electric company's avoided cost of generation.

D. An electric company may pay a subscriber an amount of excess generation as a bill credit if the amount of payment is less than \$25.

E. An electric company shall make a determination to apply Section A, B, or C of this regulation in accordance with the type of subscription credits used for the subscriber according to Regulation .04 of this chapter.

.08 Unsubscribed Energy.

An electric company shall file tariffs to pay a subscriber organization for unsubscribed energy in accordance with § 7-306.1(D)(7) of the Public Utilities Article, *Annotated Code of Maryland*.

.09 Utility Cost Recovery.

- A. An electric company shall receive full and timely cost recovery of pilot program credit costs.
- B. An electric company may not establish a separate surcharge, fee, or rate for recovery of pilot program costs.
- C. An electric company may include program credit costs in existing rate adjustments for distribution rates or as a revenue or cost component for transmission or commodity rates as accepted by the Commission.

.10 Pilot Program Sunset.

- A. Electric company tariffs requiring payments or credits from an electric company to subscribers in effect during the pilot program shall remain in effect for subscribers for the earlier of 25 years from the date of the end of the pilot program or until the subscriber's contract with its subscriber organization has ended.
- B. An electric company shall continue to facilitate the operation of a subscriber organization that was established during the pilot program for a period of 25 years after the pilot program has ended.
- C. A subscriber organization may continue to operate a community solar energy generating system that was established during the pilot for a period of 25 years after the pilot program has ended.
- D. A subscriber organization may create, exchange, and trade subscriptions up to the full project capacity for a community solar energy generating system that was established during the pilot program for a period of 25 years after the pilot program has ended.

ALL NEW TEXT

Title 20

PUBLIC SERVICE COMMISSION

Subtitle 62 COMMUNITY SOLAR ENERGY GENERATION SYSTEMS

Chapter 03 Pilot Program Administration

.01 Customer Eligibility.

A. A customer may subscribe to a community solar energy generating system that is located in the same electric company service territory as the customer.

B. All rate classes are eligible to subscribe to a community solar energy generating system.

C. Subscribers served by retail electricity suppliers and subscribers served by Standard Offer Service may subscribe to the same community solar energy generating system.

.02 Subscriber Organization Requirements.

A. A subscriber organization shall apply to the Commission for admission to the pilot program on forms authorized by the Commission.

B. The Commission shall assign each successful applicant a CSEGS identification number.

C. An electric company that participates as a subscriber organization may not recover CSEGS project costs through base distribution rates.

.03 Pilot Project Application Process.

A. An applicant that has been granted admission to the pilot program by the Commission that wishes to construct and operate a community solar energy generating system under this pilot program shall apply to the electric company serving the location of the system.

B. An electric company shall establish a project application process in compliance with these regulations and Commission Orders.

C. An electric company shall assign each project an identification number unique to the electric company's service territory for the purpose of identification.

.04 Pilot Program Queue.

A. An electric company shall process applications filed under Regulation .03 of this Chapter in the order in which the electric company receives the application.

B. Pilot Queue Order

(1) An electric company shall maintain a pilot program queue consisting of a list of pilot project applications in order of the date and time of receipt by the utility of the application.

(2) In the event multiple applications are received on a single business day, an electric company shall order them by the time of receipt.

(3) In order to maintain its place in an electric company's pilot program queue a CSEGS must provide the following to the electric company upon application:

(i) An executed interconnection agreement.

(ii) Proof of application for all jurisdictional permits.

(iii) Proof of site control consisting of an executed lease agreement or signed option.

(4) Pilot Queue Deposits

(i) In lieu of the items required by Section B(3) of this regulation, a subscriber organization may maintain its place in an electric company's pilot program queue for a period of 9 months by providing a deposit upon application.

(ii) For projects of 500kW or greater the pilot queue deposit is \$25 per kW.

(iii) For projects of less than 500kW the pilot queue deposit is \$15 per kW.

(iv) If a subscriber organization fails to provide the items required by Section B(3) within 9 months of application, the electric company shall remove the subscriber organization from the queue.

(5) Operation Deadlines

(i) If a project fails to begin operating within 12 months of application, the electric company shall remove the project from the electric company's pilot program queue unless the subscriber organization of the project provides to the electric company an additional deposit of \$50 per kW to maintain its position within the pilot program queue.

(ii) If a project fails to begin operating within 18 months of application, the electric company shall remove the project from the electric company's pilot program queue.

(6) An electric company will return the CSEGS deposit upon commencement of operation unless the electric company has removed the project from the queue.

(7) If a project has been removed from the queue by the electric company, the queue deposit will be forfeited.

(8) An electric company will forward forfeited queue deposits to the Commission.

C. An electric company shall provide information on its website about the current status of its pilot program queue including the following information:

- (1) Name of the applicant;
- (2) Service address of the project;
- (3) Inverter nameplate capacity of the project;
- (4) Application date;
- (5) Interconnection application status;
- (6) Expected date of first operation;
- (7) Project Identification Number; and
- (8) CSEGS Identification Number.

D. If the electric company closes its pilot program queue, it shall state the reason for closing in the same location as the information provided in Section C of this regulation.

E. An electric company that operates as a subscriber organization shall apply to the Commission for permission to enter each of its own projects into the electric company's pilot program queue.

.05 Data Communication.

All subscribing organizations and utilities shall use the uniform electronic transaction processes approved by the Commission.

.06 Renewable Energy Credit Ownership

A. Subscribers are not customer-generators under §7-306(g)(5) of the Public Utilities Article, *Annotated Code of Maryland*.

B. Subscriber Organizations shall own and have title to all renewable energy attributes or renewable credits associated with Community Energy Generating Facilities for which they have applied.

.07 Conversion of Existing Solar Facilities.

A subscriber organization may apply to convert all or a portion of an existing solar generating system to a CSEGS up to a capacity of 2 Megawatts.

.08 Project Location.

A. Colocation

(1) An electric company shall not accept a project of 500kW or greater that is proposed to be located within 1 mile of an existing or proposed solar facility of 500kW or greater.

(2) A subscriber organization may not construct multiple facilities on a single parcel of property.

B. Projects that are constructed in the following locations are exempt from Section A of this regulation:

(1) On the rooftops of buildings;

(2) In areas that are zoned for industrial use and are covered by a recorded subdivision plat;

(3) Over parking lots or roadways; and

(4) On multi-level parking structures.

C. A project that is converted from an existing solar facility is not subject to Section A of this regulation.

ALL NEW TEXT

Title 20

PUBLIC SERVICE COMMISSION

Subtitle 62 COMMUNITY SOLAR ENERGY GENERATION SYSTEMS

Chapter 04 Pilot Program Study

.01 CSEGS Study.

An electric company shall provide the Commission with data necessary to monitor the program status, impact on operations, and other information upon request.

.02 Utility Data

A. An electric company shall identify portions of its distribution system for which the installation of a community solar energy generating system would have a beneficial effect on the distribution system based on:

- (1) Deferral of equipment upgrades or maintenance;
- (2) Reduction in line or equipment energy losses;
- (3) Improvements in reliability or power quality; and
- (4) Other factors providing distribution system benefits.

B. An electric company shall make available the information from Section A to the public on its website as directed by the Commission.

C. An electric company shall make reasonable attempts to assist pilot program applicants with identifying means to locate and operate community energy generation facilities in a manner that maximizes distribution system benefits.

.03 Subscriber Organization Data.

A. A subscriber organization shall maintain, for the duration of the pilot, the following information for each project operating during the pilot:

- (1) Ownership information;
- (2) Technical and managerial expertise;

- (3) Business address;
- (4) Project design details, including:
 - (i) Project location and service territory;
 - (ii) A/C output capacity;
 - (iii) Equipment list; and
 - (iv) Interconnection requirements
- (5) Subscriber data, including:
 - (i) Customer class;
 - (ii) Annual usage;
 - (iii) Average bill;
 - (iv) Peak demand;
 - (v) Household income; and
 - (vi) Credit rating
- (6) Subscription information, including:
 - (i) Rates;
 - (ii) Fees; and
 - (iii) Terms and conditions.

B. A subscriber organization shall provide the information in Section A to the Commission upon request.

C. A subscriber organization shall provide to the Commission, in a timely manner, information requested by the Commission concerning the operation of a community solar energy generating system.

ALL NEW TEXT

Title 20

PUBLIC SERVICE COMMISSION

Subtitle 62 COMMUNITY SOLAR ENERGY GENERATION SYSTEMS

Chapter 05 Consumer Protection

Authority: Public Utilities Article, §§ 2-113, 2-121, 7-306, 7-306.1, and 7-306.2,
Annotated Code of Maryland

.01 Scope.

This chapter applies to transactions between CSEGS subscriber organizations and customers that are subscribing to a community solar energy generation system under a pilot program approved by the Commission.

.02 Unauthorized Subscriptions.

A. No person shall subscribe a customer to a community solar energy generation system without the customer's consent.

B. A subscriber organization may not add a new charge for a new service, existing service, or service option without first obtaining consent from the customer, verifiable to the same extent and using the same methods specified under Regulation.08 of this chapter.

.03 Advertising and Solicitations.

A. Advertising Permitted.

(1) A subscriber organization may advertise its services.

(2) A subscriber organization may not engage in a marketing or trade practice that is unfair, false, misleading, or deceptive.

B. Marketing Disclosures.

(1) A subscriber organization's marketing or solicitation information shall include the subscriber organization's Maryland approval number in a clear and conspicuous manner.

(2) If a subscription price is quoted, the following are required:

(a) A statement that the subscription price quoted is only for the specified product or services provided by the subscriber organization and the subscription price

quoted does not include any tax, commodity, utility distribution or transmission charge, or other utility fee or charge;

(b) A statement that the subscriber organization's price is not regulated by the Commission; and

(c) Any presentation of projected savings presented to a potential subscriber must include a scenario where electricity rates do not rise

C. Internet Advertising. If a subscriber organization maintains a website, the subscriber organization shall post on the Internet readily understandable information about its services, prices, and any other mandated disclosures.

D. Telephone Solicitation.

(1) A subscriber organization soliciting customers by telephone shall comply with all applicable State and federal law, including the Maryland Telephone Solicitations Act, Commercial Law Article, §§14-2201—14-2205, *Annotated Code of Maryland*.

(2) A subscriber organization may not conduct a residential customer telephone solicitation before 8 a.m. or after 9 p.m.

(3) Notwithstanding §D of this regulation or any other law, a voice recording cannot constitute the written or electronic signature of a subscriber that is required for participation in the pilot program.

.04 Creditworthiness.

A subscriber organization shall apply uniform income, security deposit, and credit standards for the purpose of making a decision as to whether to offer a subscription to customers within a given class, provided that the subscriber organization may apply separate sets of uniform standards for the purpose of promoting participation by low-income and moderate-income retail electric customers.

.05 Geographic Marketing.

A. A subscriber organization may market services on a geographic basis.

B. A subscriber organization is not required to offer services throughout an electric company's entire service territory.

C. A subscriber organization may not refuse to provide service to a customer based on the economic character of a geographic area or the collective credit reputation of the area.

.06 Discrimination prohibited.

A. A subscriber organization may not discriminate against any customer based, wholly or partly on race, color, creed, national origin, or gender of an applicant for service or for any arbitrary, capricious, or unfairly discriminatory reason.

B. A subscriber organization may not refuse to provide service to a customer except by the application of standards that are reasonably related to the subscriber organization's economic and business purposes.

.07 Required Disclosures.

A. Contract Summary

(1) Prior to the execution of any contract for a subscription to a CSEGS, a subscriber organization shall present all prospective customers with a completed Contract Summary Disclosure using a form that is approved by the Commission.

(2) The customer must initial a copy of the Contract Summary Disclosure to acknowledge receipt of the Contract Summary; and

(a) If a subscription contract was sent following a telephone solicitation, the subscriber organization shall:

(i) Send the Contract Summary to the customer together with the contract that must be signed by the customer and returned as required by the Maryland Telephone Solicitations Act; or

(ii) If the contract is exempt from the Maryland Telephone Solicitations Act, the supplier shall send the Contract Summary together with the contract to the customer, and obtain the signature of the customer.

(b) If a subscription contract is completed through the Internet, the completed Contract Summary shall be:

(i) Available online and made available for download by the customer at the time of contracting; and

(ii) Shall be transmitted to the customer by the subscription organization by mail or by email if the customer consents to receipt of email disclosures.

(c) If the contract is completed in person, the contract and the Contract Summary shall be reviewed with and provided to the customer by the subscription organization in hard copy or electronically, and the executed contract and Contract Summary provided to the customer at the time of contracting in hard copy or electronically if the customer consents to electronic disclosures.

B. Notice of Subscription.

(1) A subscriber organization shall provide notice of enrollment of a customer to a utility in a format consistent with the Commission-accepted electric company subscriber organization coordination agreement.

(2) A customer entering into an agreement with a subscriber organization shall receive written notice of enrollment from the subscriber organization and the electric company.

(3) Notice of enrollment under §B(1) of this regulation shall include the following:

- (a) Customer name;
- (b) Customer service address;
- (c) Billing name;
- (d) Billing address;
- (e) Utility name;
- (f) Utility account number;
- (g) Subscriber organization name;
- (h) Subscriber organization account number; and
- (i) Effective date of the enrollment.

.08 Contracts for Customer Subscription in a Community Solar Energy Generation System.

A. Minimum Contract Requirements.

(1) A subscribing organization's subscription contract shall contain all material terms and conditions, including:

(a) A plain language disclosure of future costs and benefits of the subscription, including:

(i) The terms under which the pricing will be calculated over the life of the contract and a good faith estimate of price per kilowatt-hour; and

(ii) Whether any charges may increase during the course of service, and, if so, how much advance notice is provided to the subscriber;

- (b) Contract provisions regulating the disposition or transfer of a subscription to the CSEGS, as well as the costs or potential costs associated with such a disposition or transfer;
- (c) All nonrecurring (one-time) charges;
- (d) All recurring (monthly, yearly) charges;
- (e) A statement of contract duration, including the initial time period and any rollover provision;
- (f) Terms and conditions for early termination; including:
 - (i) Any penalties that the subscriber organization may charge to the subscriber;
 - (ii) The process for unsubscribing and any associated costs;
- (g) If a security deposit is required:
 - (i) The amount of the security deposit;
 - (ii) A description of when and under what circumstances the security deposit will be returned;
 - (iii) A description of how the security deposit may be used; and
 - (iv) A description of how the security deposit will be protected.
- (h) A description of any fee or charge and the circumstances under which a customer may incur a fee or charge;
- (i) A statement that the subscriber organization may terminate the contract early, including the:
 - (i) Circumstances under which early cancellation by the subscriber organization may occur;
 - (ii) Manner in which the subscriber organization shall notify the customer of the early cancellation of the contract;
 - (iii) Duration of the notice period before early cancellation; and
 - (iv) Remedies available to the customer if early cancellation occurs;
- (j) A statement that the customer may terminate the contract early, including the:
 - (i) Circumstances under which early cancellation by the customer may occur;

(ii) Manner in which the customer shall notify the subscriber organization of the early cancellation of the contract;

(iii) Duration of the notice period before early cancellation;

(iv) Remedies available to the subscriber organization if early cancellation occurs;
and

(v) Amount of any early cancellation fee;

(k) A statement describing contract renewal procedures, if any;

(l) A dispute procedure;

(m) The Commission's toll-free number and Internet address;

(n) A notice that the contract does not include utility charges;

(o) A billing procedure description;

(p) The data privacy policies of the subscriber organization;

(q) A description of any compensation to be paid for underperformance;

(r) Proof of insurance;

(s) Proof of a long-term maintenance plan;

(t) Current production projections and a description of the methodology used to develop production projections;

(u) Contact information for the subscriber organization for questions and complaints;

(v) A statement that the subscriber organization and electric company do not make representations or warranties concerning the tax implications of any bill credits provided to the subscriber;

(w) A plain language explanation of the disposition of the subscription at the end of the term of the contract or the life of the CSEGS;

(x) An explanation of the subscriber data the subscriber organization will share with the electric company;

(y) The method of providing notice to the subscribers when the CSEGS is out of service, including notice of:

(i) The estimated duration of the outage; and

- (ii) The estimated production that will be lost due to the outage;
- (z) An explanation of how unsubscribed production of the CSEGS will be allocated; and
- (aa) Any other terms and conditions of service.

(2) A residential customer may downsize the allocation of solar kilowatt hours under an existing CSEGS subscription.

(3) A subscriber organization may not charge or collect a fee for the downsizing of a subscriber's allocation up to 20 percent within the first six months or up to 5 percent thereafter.

B. Methods of Contracting.

(1) A subscriber organization may not subscribe a residential customer using a process that does not require the customer's consent.

(2) A subscriber organization that contracts with a customer by means of the Internet shall:

- (a) Confirm the identity of the person making the contract;
- (b) Comply with applicable Maryland and federal law; and
- (c) Take appropriate steps to safeguard customer privacy.

(d) A subscriber organization that sends a contract over the Internet to a valid email address of the contracting customer is considered to have complied with §B(2)(a) of this regulation.

C. Evergreen Contracts.

(1) A subscriber organization shall provide a customer with a notice of the pending renewal of an evergreen contract 30 days before the automatic renewal is scheduled to occur.

(2) The subscriber organization notice required under §C(1) of this regulation shall:

- (a) Provide a clearly stated and highlighted notice to a customer of any changes in the material terms and conditions of the agreement; and
- (b) Inform the customer how to terminate the contract without penalty.

.09 Share Transfers and Portability.

A. A CSEGS Subscription may be transferred or assigned to a CSEGS Subscriber Organization or to any person or entity who qualifies to be a subscriber in the CSEGS.

B. A CSEGS Subscriber who desires to transfer or assign all or part of his subscription to the CSEGS Subscriber Organization, in its own name or to become unsubscribed shall notify the CSEGS Subscriber Organization and the transfer of the subscription to the CSEGS Subscriber Organization shall be effective upon such notification, unless the CSEGS Subscriber specifies a later effective date.

C. A CSEGS Subscriber who desires to transfer or assign all or part of his subscription to another eligible customer desiring to purchase a subscription may do so only in compliance with the terms and conditions of the subscription and will be effective in accordance therewith.

D. If the CSEGS is fully subscribed, the CSEGS Subscriber Organization shall maintain a waiting list of eligible customers who desire to purchase subscriptions. The CSEGS Subscriber Organization shall offer the CSEGS Subscription of the CSEGS Subscriber desiring to transfer or assign their interest, or a portion thereof, on a first-come, first-serve basis to customers on the waiting list.

E. The CSEGS Subscriber Organization and the electric company shall jointly verify that each CSEGS Subscriber is eligible to be a subscriber in the CSEGS under Section 7-306.2 of the Public Utilities Article, *Annotated Code of Maryland*. Changes in the subscriber rolls of the CSEGS, including the effective date of changes, shall be communicated by the CSEGS Subscriber Organization to the electric company, in written or electronic form, as soon as practicable but no less than 30 days.

F. Prices paid for subscriptions in a CSEGS shall not be subject to regulation by the Commission.

G. A CSEGS Subscriber may change the premises to which the CSEGS electricity generation shall be attributed, so long as the premises are within the geographical limits allowed for a subscriber in that CSEGS. A Subscriber Organization may not charge transfer fees if a customer moves within the same service territory.

.10 Disclosure of Subscriber Information.

A. Except as provided in §B of this regulation, a subscriber organization may not disclose energy usage or personally identifiable information about a subscriber, or a subscriber's billing, payment, and credit information, without the subscriber's consent.

B. A subscriber organization may disclose a subscriber's billing, payment, and credit information for the sole purpose of facilitating billing, bill collection, and credit reporting.

C. A subscriber organization shall provide a customer with a copy of the subscriber organization's customer information privacy policy.

.11 Escrow of Prepaid Subscription Fees.

Subscriber funds collected by the CSEGS Subscriber Organization in advance of commercial operation of the CSEGS shall be held in an escrow account in a manner approved by the Commission. The escrow shall be maintained by its terms until such time as the CSEGS commences commercial operation as certified by the electric company's acceptance of energy from the CSEGS.

.12 Notice of Contract Expiration or Cancellation.

A. A CSEGS Subscriber Organization shall provide the customer with notice 45 days before expiration or cancellation of a subscription contract.

B. Contents of Notice. The subscriber organization's expiration or cancellation notice required under §A of this regulation shall include:

(1) Final bill payment instructions; and

(2) The toll free telephone number and the web site address of the subscriber organization and the Commission.

C. Early Cancellation.

(1) Notice of early cancellation by the subscriber organization shall comply with §B of this regulation.

(2) Early Cancellation Fee.

(a) A subscriber organization may impose a reasonable early cancellation fee if a customer cancels the contract before the expiration date.

(b) A subscriber organization may deduct a cancellation fee from a customer deposit.

(3) Except as provided in a tariff regarding subscriber organization default, an electric company may remove a customer from subscriber organization services only if directed by a subscriber organization, subject to applicable bankruptcy law.

(4) When a subscriber organization contracts with a customer, the newly contracting subscriber organization shall notify the customer that the customer may incur early cancellation penalties under a current subscriber organization contract.

.13 Assignment of Subscription Contract.

A. At least 30 days prior to the effective date of any assignment or transfer of a subscription contract from one subscriber organization to another, the subscriber organizations shall jointly provide written notice of the Assignment or Transfer to the customers of the subscriber organization, the Commission, the electric company, and the Office of People’s Counsel.

(1) Notice to Customer – the subscriber organizations shall jointly send notice to the Customer informing them of the assignment or transfer. The letter shall include:

(a) A description of the transaction in clear and concise language including the effective date of the assignment or transfer;

(b) Customer Service contact information for the assignee; and

(c) A statement that the terms and conditions of the customer’s contract at the time of assignment shall remain the same for the remainder of the contract term.

(2) The subscriber organizations shall file a notice with the Commission, with a copy to the Office of People’s Counsel and the electric company, of the Assignment or Transfer of the customer contracts and include a copy of the letter sent to customers.

B. Upon request by the Commission, the assignee shall be responsible for providing documents and records related to the assigned contracts. Records shall be maintained for a period of three years or until the contracts are expired, whichever is longer.

.14 Subscription Disputes.

A. A customer alleging a violation of this subtitle may file a dispute with the Commission’s Office of External Relations.

B. Upon proof of the allegations, the customer’s remedy through the Office of External Relations is limited to a refund of any overcharge and any fees or penalties paid by the customer as a result of the unauthorized subscription or other violation.

C. This subtitle does not limit the authority of the Commission under the Public Utilities Article, *Annotated Code of Maryland*.

.15 Subscriber Organizations Responsible for the Actions of Its Agents.

A. A subscriber organization may use an agent to conduct marketing or sales activities.

B. A subscriber organization is responsible for any fraudulent, deceptive, or other unlawful marketing performed by its agent while marketing or selling subscriptions on behalf the subscriber organization.

.16 Agent Qualifications and Standards.

(A) A subscriber organization shall develop standards and qualifications for individuals it chooses to hire as its agents. A subscriber organization may not hire an individual that fails to meet its standards.

(B) A subscriber organization may not permit a person to conduct door-to-door activities until it has obtained and reviewed a criminal history record from the Federal and the Maryland Criminal Justice Information System and from every other state in which the person resided within the last 12 months.

(C) When a subscriber organization contracts with an independent contractor or vendor to perform door-to-door activities, the subscriber organization shall document that the contractor or vendor has performed criminal background investigations on an agent in accordance with this section and with the standards set by the subscriber organization. A subscriber organization may satisfy this requirement by obtaining from the independent contractor or vendor a written statement affirming that the criminal background check was performed by them or under their supervision in accordance with this section and with standards set by the subscriber organization and presented in writing.

(D) A subscriber organization shall periodically audit whether the background checks completed by its independent contractor or vendor have been completed in accordance with this section.

.17 Agent Training

(A) A subscriber organization shall ensure the training of its agents on the following subjects:

- (1) Local, State and Federal laws and regulations that govern marketing, telemarketing, consumer protection and door-to-door sales as applicable to the types of marketing and jurisdiction in which the agent shall engage or operate.
- (2) Responsible and ethical sales practices.
- (3) The subscriber organization's products and services.
- (4) The subscriber organization's rates, rate structures and payment options.
- (5) The customer's right to rescind and cancel contracts.
- (6) The applicability of an early termination fee for contract cancellation when the subscriber organization has one.
- (7) The necessity of adhering to the script and knowledge of the contents of the script if one is used.
- (8) The proper completion of transaction documents.

- (9) The subscriber organization's Contract Summary Disclosure.
- (10) Information about how customers may contact the subscriber organization to obtain information about billing, disputes and complaints.
- (11) The confidentiality and protection of customer information.
- (B) A subscriber organization shall document the training of an agent and maintain a record of the training for 3 years from the date the training was completed.
- (C) A subscriber organization shall make training materials and training records available to the Commission and the Office of People's Counsel upon request. Any such material shall be treated as confidential.
- (D) When a subscriber organization contracts with an independent contractor or vendor to perform marketing or sales activities on the subscriber organization's behalf, the subscriber organization shall confirm that the contractor or vendor has provided subscriber organization-approved training to agents and independent contractors in accordance with this section.
- (E) The subscriber organization shall monitor telephonic and door-to-door marketing and sales calls to:
 - (1) Evaluate the subscriber organization's training program.
 - (2) Ensure that agents are providing accurate and complete information, complying with applicable rules and regulations and providing courteous service to customers.

.18 Agent Identification and Misrepresentation.

A. A subscriber organization shall issue an identification badge to agents to be worn and prominently displayed when conducting door-to-door activities or appearing at public events on behalf of a subscriber organization. The badge must:

- (1) Accurately identify the subscriber organization, its trade name and logo;
- (2) Display the agent's photograph;
- (3) Display the agent's full name; and
- (4) Display a customer-service phone number for the subscriber organization.

B. Upon first contact with a customer, an agent shall

- (1) Identify the subscriber organization that he represents; and
- (2) State that he is not working for and is independent of the customer's local distribution company or another subscriber organization.

C. When conducting door-to-door activities or appearing at a public event, an agent may not wear apparel or accessories or carry equipment that contains branding elements, including a logo that suggests a relationship that does not exist with a utility, government agency, or another subscriber organization.

D. A subscriber organization may not use the name, bills, marketing materials or consumer education materials of another subscriber organization, regulated utility or government agency in a way that suggests a relationship that does not exist.

E. A subscriber organization or subscriber organization agent may not say or suggest to a customer that a utility customer is required to choose a CSEGS subscriber organization.

.19 Door-to-door Sales.

A. A subscriber organization and its agents shall comply with the Maryland Door-to-Door Sales Act, local government ordinances regarding door-to-door marketing and sales activities, and any other applicable consumer protection law.

B. A subscriber organization's agent shall:

(1) Prominently display an identification badge; and

(2) Offer a business card or other material that lists:

(a) The subscriber organization's name and contact information, including telephone number;

(b) The Maryland approval number of the subscriber organization's CSEGS project; and

(c) The agent's name and any other identification numbers provided to the sales agent by the subscriber organization or agent.

C. A subscriber organization shall establish a policy that requires an agent to terminate contact with a customer if the customer is incapable of understanding and responding to the information being conveyed by the agent.

D. When an agent completes a transaction with a customer, the agent shall provide a copy of each document that the customer signed or initialed relating to the transaction. A copy of these documents shall be provided to the customer before the agent leaves the customer's premises.

E. An agent shall immediately leave a residence when requested to do so by a customer or the owner or an occupant of the premises, or if the customer does not express an interest in what the agent is attempting to sell.

.20 Notifications Regarding Door-to-door Activity.

A. When a subscriber organization engages in door-to-door activity, the subscriber organization shall notify OER no later than the morning of the day that the activity begins. The notification shall include general, nonproprietary information about the activity, the period involved and a general description of the geographical area.

B. A subscriber organization shall provide the utility with general, nonproprietary information about the door-to-door activity that caused the subscriber organization to provide notice to the Commission. The subscriber organization shall provide this general information to the utility no later than the morning of the day that the sales and marketing activities begin. The utility shall use this information only for acquainting its customer service representatives with sales and marketing activity occurring in its service territory so that they may address customer inquiries knowledgably. A utility may not use the information for other purposes.

Title 20 PUBLIC SERVICE COMMISSION

Subtitle 32 DISPUTE PROCEDURES –11/05/2015

Chapter 01 Dispute Regulations

Authority: Public Utilities Article, §§2-112, 2-113, 2-121, and 3-102, Annotated Code of Maryland

.01 Applicability.

A. This subtitle applies to all electric companies, gas companies, combination gas and electric companies, telephone companies, **registered CSEGS subscriber organizations**, and water companies under the jurisdiction of the Public Service Commission.

B. Text Unchanged.

.02 Definitions.

A. – B (1) Text Unchanged

(2) “Community Solar energy generating system” (“CSEGS”) has the meaning stated in Public Utilities Article, §7-306.2, Annotated Code of Maryland.

[(2)] **(3)** "Customer" means any person, association, partnership, corporation, or governmental agency who has applied for utility service, or in whose name a utility service account is maintained.

[(3)] **(4)** "Dispute" means a disagreement between a utility and a customer regarding provision of utility service, disputed bills, billing practices, or terminations of service.

[(4)] **(5)** "Disputed bill" means a bill which is the subject of a controversy between a customer and a utility regarding any billing error, including, but not limited to:

(a) – (c) Text Unchanged.

[(5)] **(6)** "Inquiry" means the written or oral communication used by a customer to request review of a dispute.

[(6)] **(7)** "Mediation" means a third-party effort to resolve, negotiate, or conciliate a dispute.

[(7)] **(8)** "OER" means the Office of External Relations within the Commission pursuant to this subtitle.

(9) "Subscriber Organization" has the meaning stated in COMAR 20.62.02B (12).

[(8)] **(10)** "Termination" means the discontinuance of electric, gas, or telephone service to a customer or premises.

[(9)] **(11)** "Utility" means an electric company, gas company, combination gas and electric company, telephone company, or water company as defined by Public Utilities Article, §1-101, Annotated Code of Maryland.

.03 Inquiry to Utility.

A. A customer shall initially submit any inquiry or dispute directly to a utility **or subscriber organization** for resolution.

B. A utility **or subscriber organization** shall investigate a customer dispute or inquiry, and report its findings to the customer.

C. – G. Text Unchanged.

.04 Inquiry to Public Service Commission.

A. If a customer disputes a utility's **or a subscriber organization's** determination under Regulation .03 of this chapter, the customer may submit an inquiry to the Commission within 7 days of receipt of the utility's determination.

B. If a customer contacts the Commission or its staff before contacting a utility **or a subscriber organization**, the customer shall be advised of Regulation .03 of this chapter and referred to the utility.

C.—F (3) Text Unchanged.

G. [Both a] A utility, a **subscriber organization** and a customer shall be given an opportunity to respond to the position or information provided to OER by the other party.

H. A utility **or subscriber organization** shall respond to an OER request for investigation or information and shall make a good faith attempt to do so within 7 working days of its receipt.

I. Text Unchanged.

(1) Customer has not dealt with the utility **or subscriber organization** in good faith;

(2) Text Unchanged.

(3) Utility **or subscriber organization** has complied with Public Utilities Article, Annotated Code of Maryland, the Commission's regulations and orders, and the utility's own tariff.

J. OER shall provide the utility, **subscriber organization, if there is one**, and the customer with a written summary of its findings and conclusions on completion of its investigation.

K. – N. Text unchanged.

Title 20 PUBLIC SERVICE COMMISSION

Subtitle 50 SERVICE SUPPLIED BY ELECTRIC COMPANIES

Chapter 10 Net Metering

**Authority: Public Utilities Article, §§2-113, 2-121, 5-101, 5-303, and 7-306,
Annotated Code of Maryland**

.01 General.

A. – D. Text unchanged.

.02 Metering.

Text unchanged.

.03 Tariffs and Contracts.

A. – E. Text unchanged.

.04 Calculation of Net Energy.

A. – F. Text unchanged.

.05 Net Excess Generation.

A. – E. Text unchanged.

.06 Safety Standards and Controls for Net Energy Metering.

Text unchanged.

.07 Meter Aggregation.

A. Text unchanged.

B. Customers Qualifying for Aggregation. The following electric utility eligible customer-generators are qualified to request meter aggregation under §A of this regulation:

- (1) An eligible customer-generator using electrical service for agriculture;
- (2) An eligible customer-generator who is a not-for-profit organization [or business]; or

(3) An eligible customer-generator who is a municipal **or county** government or its affiliated organizations.

C. Text unchanged.

.08 Meter Aggregation Method.

A. – C. Text Unchanged.