

**MARYLAND OFFICE OF PEOPLE'S COUNSEL  
C91H00  
Fiscal Year 2018 Budget Hearings**

**Response to the Department of Legislative Services  
Budget Analysis**

**Senate Committee on Budget and Taxation (B&T)  
Sub-Committee on Public Safety, Transportation and Environment**

**February 9, 2017**

**General Response of the Office of People's Counsel (OPC)**

The Department of Legislative Services concurs with the Governor's allowance. OPC appreciates the careful review by Tonya Zimmerman, DLS budget analyst, and agrees with the DLS recommendation.

## *Maryland Office of People's Counsel*

### **About Us**

OPC is the official advocate for Maryland residential utility consumers. Maryland PUC Article, § 2-201 et seq.

The Maryland Office of People's Counsel (OPC), created in 1924, is the oldest utility consumer advocacy office of its kind in the United States. The People's Counsel is appointed by the Attorney General, with the advice and consent of the Senate, and acts independently of the **Maryland Public Service Commission (PSC)** and the **Office of Attorney General**. OPC is a State of Maryland agency, yet works independently to represent Maryland's residential consumers of electric, natural gas, telecommunications, private water and certain transportation matters before the PSC, federal regulatory agencies and the courts. Every day OPC's staff members address issues affecting the cost, quality of service and adequate supply of these utility services. As such OPC's advocacy touches the lives of every resident of Maryland.

OPC functions primarily as a law office, employing a staff of 19, and retains expert consultants to provide technical assistance and expert testimony. These consultants are highly qualified accounting, engineering and economic experts who provide technical assistance, prepare reports and appear as expert witnesses before the PSC and federal agencies. These experts are absolutely critical to OPC's ability to represent consumers.

Because it is a state agency, funding for OPC is included in the state budget proposed by the Governor and approved by the General Assembly. However, the State's General Fund is fully reimbursed for OPC's expenses from revenue collected in the Public Utility Regulation Fund. Md. PUC Article, § 2-110.1. These revenues are collected from all regulated utility companies and licensed energy suppliers.

### **What We Do**

OPC represents the interests of Maryland residential utility consumers of electricity, natural gas, telecommunications and private water services in state and federal regulatory proceedings. OPC also provides information and referrals to consumers and agencies, and consumer assistance in limited situations.

### **Where We Do It**

OPC represents residential customers in state and federal administrative agency and appellate court proceedings, and testifies on bills heard by legislative committees:

- Maryland Public Service Commission
- Federal Agencies:
  - Federal Energy Regulatory Commission
  - Federal Communications Commission
- PJM (wholesale electricity market administrator)
- Maryland and Federal Courts (appeals of regulatory decisions)
- Maryland General Assembly

## **How We Do It**

### **Legal Advocacy**

Regulatory Cases (PSC, FERC, FCC, Courts)

Rulemakings (PSC, FERC, FCC)

Public Conferences and Work Groups (PSC)

Legislation (General Assembly, U.S. Congress)

### **Consumer Assistance**

Inquiries and Referrals

Assistance (service and billing disputes; terminations to vulnerable customers)

### **Information and Resources**

Agency inquiries and alerts

Resource Guides and Fact Sheets

Community Outreach and Networking

Speakers

## **Associations and Boards**

### **Consumer Advocates of PJM States, Inc. (CAPS)**

MD OPC is a founding member of CAPS, a 501(c) (4) organization comprised of official agencies that represent the interests of utility consumers in states within the PJM footprint. The organization was established in 2012, and initially funded with seed money approved by FERC. CAPS is now funded through PJM, as approved by FERC. CAPS helps to provide information and technical assistance to member agencies on PJM issues affecting retail customers in the respective states. OPC is a member of the Executive Board.

### **NASUCA**

OPC is a member of the **National Association of Utility Consumer Advocates (NASUCA)**. NASUCA is an association of government and non-profit agencies that represent the interests of consumers of energy and telecommunications services in over 40 states. NASUCA has an Executive Director who handles daily operations and is responsible to the Officers and Executive Committee of NASUCA. NASUCA establishes positions on a

variety of issues through approval of Resolutions. These Resolutions provide the policy support for testimony and comments filed by NASUCA in federal regulatory and legislative proceedings. As a member of NASUCA, OPC is able to enhance its presence and influence on behalf of Maryland residential consumers.

The People's Counsel served as President of NASUCA from October 2011 to November 2013, was a member of the Executive Committee of NASUCA from 2007 to 2013, and currently is an *ex officio* member. OPC has representatives on the Electric, Gas, Telecommunications, Water and Consumer Protection Committees of NASUCA, and is active in the development of policy positions and actions taken by NASUCA on behalf of its members.

### **Boards and Committees**

The People's Counsel (or her designated representative) is a member of several boards and committees that address issues that impact residential utility consumers

- DOE Electric Advisory Committee (July 1, 2015 – June 30, 2017 Term)
- MEA Strategic Energy Investment Fund (SEIF) Advisory Board
- DHR OHEP Advisory Board
- DHCD Weatherization Advisory Board
- Maryland Clean Energy Center Advisory Committee

### **OPC – Regulatory Activities**

OPC's primary responsibility is to represent the interests of Maryland residential users of utility service. OPC's attorneys advocate for rates, services and practices to benefit residential customers in regulatory and court proceedings. Most of our work takes place in proceedings before the **Maryland Public Service Commission (MD PSC)**, the state agency that regulates utility companies. These proceedings include cases, rulemakings, public conferences and work groups set up by the MD PSC. OPC addresses residential customer concerns in the following types of proceedings:

- Mergers and Acquisitions
- Utility distribution rates and services (electricity, gas, private water)
- Gas infrastructure surcharges
- Utility procurement of electricity and gas supply
- Reliability of utility distribution systems and service quality
- Retail energy suppliers – licensing and consumer protection
- Energy efficiency, conservation and demand reduction
- Grid modernization and smart meter deployment
- Local landline telephone regulation and service quality
- Ridesharing services
- PSC Rulemaking dockets

OPC also intervenes in cases before the **Federal Energy Regulatory Commission (FERC)**, the federal agency that oversees wholesale electricity markets, interstate electricity transmission and interstate gas transportation. As a result of the deregulation of the retail electric industry in Maryland in 1999, the importance of FERC policies and decisions for Maryland consumers has increased dramatically. OPC has been an advocate for Maryland consumers in numerous FERC cases involving wholesale market issues and interstate transmission line costs to be allocated to Maryland consumers. At the same time, OPC is an active consumer representative in the **PJM** stakeholder groups concerning the operation of the regional transmission organization. We sometimes participate in these cases as part of a coalition of consumer offices and other agencies.

**The Federal Communications Commission (FCC)** regulates interstate communications by radio, TV, wire, satellite and cable. The FCC also administers the Lifeline LinkUp program for telephone assistance and the Universal Service Fund (USF) and jointly administers the Do Not Call Registry for consumers who want to avoid telemarketing calls. The FCC has been charged with implementing a Broadband Initiative to accelerate broadband deployment throughout the country. As an active member of **NASUCA**, OPC is able to lend its voice on behalf of Maryland telephone consumers through the submission of comments by NASUCA in numerous FCC dockets.

OPC also appears in appellate courts when regulatory orders are challenged by OPC or other parties. The MD PSC's orders are appealed to the courts of the State of Maryland, while the federal agency orders are heard on appeal by federal appellate courts.

#### **OPC – Consumer Protection, Consumer Assistance and Outreach**

OPC is an active participant in the PSC's Rulemaking dockets to address issues that affect residential customers. In the past two years, OPC was instrumental in securing enhanced consumer protection rules for customers of energy suppliers, rideshare providers, and community solar subscribers, and changes in the medical certification rules for service terminations.

While most of OPC's activities take place in regulatory proceedings before the PSC and FERC, the agency does provide consumer assistance and outreach assistance. Most of the requests for consumer assistance concern terminations (or threatened terminations) of utility service and need for bill payment assistance. OPC works with a network of government, community action, non-profit and faith organizations in all areas of the State, and has developed a reputation as the "go to" place to refer the most difficult cases involving utilities and bill payment problems. Since OPC has a limited consumer assistance staff, the agency specifically focuses on comprehensive assistance for vulnerable households (due to age, medical problems, disability and other factors) facing service loss. OPC also handles complaints or inquiries related to service reliability and outage issues, billing disputes and energy supplier complaints.

In collaboration with BGE and other agencies, OPC has worked to develop a "Critical Needs Pilot Program" over the past two years. Navigators with health-related organizations have been trained to work with payment-troubled customers with critical health needs to address immediate service termination issues and access services to assist in payment of utility bills. OPC hopes to eventually expand this program to other areas of the State.

OPC also provides speakers upon request to agency, neighborhood and community organizations, and has developed fact sheets and guides on regulated utility issues and contracts

with energy suppliers. The OPC website provides information to consumers, agencies and other interested parties about “hot topics,” cases and issues, public hearings, and links to fact sheets and information guides on matters that affect residential customers of energy, telephone and private water services. Our most popular materials are the OPC Energy Assistance Resource Guides (updated annually), Utility Customer Fact Sheets and Energy Supplier Fact Sheet and Pricing Guides.