

# HOUSE BILL 1494

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By: **Delegate J. Long**

Introduced and read first time: February 13, 2026

Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Electricity and Retail Gas Supply – Customer Choice, Consumer Protection, and**  
3 **Green Power**  
4 **(Retail Energy Modernization and Consumer Choice Act)**

5 FOR the purpose of authorizing the offer and use of certain time-of-use rates and products  
6 relating to residential electricity supply and residential retail gas supply, including  
7 offering the rates for a term greater than a certain number of months; authorizing  
8 the sale and purchase of accounts receivable for certain products; authorizing certain  
9 energy resource aggregators to act without the direction of an electric company;  
10 requiring the Public Service Commission to adopt certain regulations regarding  
11 consolidated billing, protocols for purchasing certain accounts receivable,  
12 cybersecurity standards and information exchange protocols, and nondiscriminatory  
13 and expedited interconnection procedures; exempting certain green power products  
14 from certain provisions regarding the marketing, price, and offering of green power;  
15 and generally relating to residential electricity supply, retail gas supply, and green  
16 power.

17 BY repealing and reenacting, without amendments,  
18 Article – Public Utilities  
19 Section 7–220(a) and (e), 7–501(a), and 7–1001(a), (d), and (e)  
20 Annotated Code of Maryland  
21 (2025 Replacement Volume and 2025 Supplement)

22 BY adding to  
23 Article – Public Utilities  
24 Section 7–501(f–1), (f–2), (g–1), and (g–2) and 7–510(j) and (k)  
25 Annotated Code of Maryland  
26 (2025 Replacement Volume and 2025 Supplement)

27 BY repealing and reenacting, with amendments,  
28 Article – Public Utilities

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 7–510(d), 7–604.2(a) and (b), and 7–707(a) and (b)  
2 Annotated Code of Maryland  
3 (2025 Replacement Volume and 2025 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
5 That the Laws of Maryland read as follows:

6 **Article – Public Utilities**

7 7–220.

8 (a) In this part the following words have the meanings indicated.

9 (e) “Demand response program” means a program established by an electric  
10 company, an electricity supplier, or a third party that promotes changes in electric usage  
11 by customers from their normal consumption patterns in response to:

12 (1) changes in the price of electricity over time; or

13 (2) incentives designed to:

14 (i) induce lower electricity use at times of high wholesale market  
15 prices; or

16 (ii) ensure system reliability.

17 7–501.

18 (a) In this subtitle the following words have the meanings indicated.

19 **(F–1) “DEMAND RESPONSE PROGRAM” HAS THE MEANING STATED IN § 7–220**  
20 **OF THIS TITLE.**

21 **(F–2) “DISTRIBUTED ENERGY RESOURCE” HAS THE MEANING STATED IN §**  
22 **7–1001 OF THIS TITLE.**

23 **(G–1) “ELECTRIC DISTRIBUTION SUPPORT SERVICES” HAS THE MEANING**  
24 **STATED IN § 7–1001 OF THIS TITLE.**

25 **(G–2) “EMISSIONS–FREE ENERGY CERTIFICATE” HAS THE MEANING STATED**  
26 **IN § 7–707 OF THIS TITLE.**

27 7–510.

28 (d) (1) This subsection applies to residential electricity supply other than  
29 supply offered through:

1 (i) standard offer service;

2 (ii) the Department of General Services' sale of energy under §  
3 7-704.4 of this title; [or]

4 (iii) a community choice aggregator under § 7-510.3 of this subtitle;  
5 **OR**

6 **(IV) A RESIDENTIAL ELECTRICITY SUPPLIER'S SALE OF GREEN**  
7 **POWER UNDER § 7-707 OF THIS TITLE.**

8 (2) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A**  
9 residential electricity supplier:

10 (i) may offer electricity[, other than green power,] only at a price  
11 that does not exceed the trailing 12-month average of the electric company's standard offer  
12 service rate in the electric company's service territory as of the date of agreement with the  
13 customer;

14 (ii) [may offer residential electricity supply only for a term not to  
15 exceed 12 months at a time;

16 (iii)] may[, for electricity supply other than green power,]  
17 automatically renew the term only if the electricity supplier provides notice to the customer  
18 90 days before and 30 days before renewal;

19 [(iv) may offer green power that meets the requirements of § 7-707 of  
20 this title, but may not automatically renew the term with the customer;

21 (v)] **(III)** subject to paragraph (3) of this subsection, may not offer a  
22 variable rate other than a rate that adjusts for seasonal variation not more than twice in a  
23 single year; and

24 [(vi)] **(IV)** may not pay a commission or other incentive-based  
25 compensation to an energy salesperson for enrolling customers.

26 (3) [Paragraph (2)(v) of] **NOTHING IN** this subsection [does not] **SHALL**  
27 prohibit the offer and use of:

28 **(I)** time-of-use rates:

29 **1. FOR A TERM GREATER THAN 12 MONTHS AT A TIME;**

30 **2. that establish different rates for periods within a single**

1 day; OR

2                                   **3. THAT INCLUDE AN ON-PEAK RATE THAT EXCEEDS THE**  
3 **TRAILING 12-MONTH AVERAGE OF THE ELECTRIC COMPANY'S STANDARD OFFER**  
4 **SERVICE RATE AS OF THE DATE OF AGREEMENT WITH THE CUSTOMER;**

5                                   **(II) PRODUCTS THAT COMBINE ELECTRICITY SUPPLY WITH**  
6 **EMISSIONS-FREE ENERGY CERTIFICATES, INCLUDING THOSE:**

7                                   **1. THAT ARE PART OF A CONTRACT FOR A TERM**  
8 **GREATER THAN 12 MONTHS AT A TIME;**

9                                   **2. OFFERED AT A PRICE PER KILOWATT-HOUR FOR THE**  
10 **ELECTRICITY SUPPLY AND CERTIFICATES THAT, WHEN COMBINED, EXCEEDS THE**  
11 **TRAILING 12-MONTH AVERAGE OF THE ELECTRIC COMPANY'S STANDARD OFFER**  
12 **SERVICE RATE AS OF THE DATE OF AGREEMENT WITH THE CUSTOMER; OR**

13                                   **3. OFFERED AT A VARIABLE RATE THAT MAY ADJUST**  
14 **MONTHLY; OR**

15                                   **(III) PRODUCTS THAT COMBINE ELECTRICITY SUPPLY WITH ONE**  
16 **OR MORE DISTRIBUTED ENERGY RESOURCES THAT PROVIDE ELECTRIC**  
17 **DISTRIBUTION SUPPORT SERVICES, INCLUDING THOSE:**

18                                   **1. THAT ARE PART OF A CONTRACT FOR A TERM**  
19 **GREATER THAN 12 MONTHS AT A TIME;**

20                                   **2. OFFERED AT A PRICE PER KILOWATT-HOUR, FOR THE**  
21 **PRODUCT ONLY, THAT EXCEEDS THE TRAILING 12-MONTH AVERAGE OF THE**  
22 **ELECTRIC COMPANY'S STANDARD OFFER SERVICE RATE AS OF THE DATE OF**  
23 **AGREEMENT WITH THE CUSTOMER; OR**

24                                   **3. OFFERED AT A VARIABLE RATE THAT MAY ADJUST**  
25 **MONTHLY.**

26                                   **(4) (I) [A] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
27 **PARAGRAPH, A residential electricity supplier may not sell to an electric company, and an**  
28 **electric company may not purchase from the electricity supplier, accounts receivable.**

29                                   **(II) A RESIDENTIAL ELECTRICITY SUPPLIER MAY SELL TO AN**  
30 **ELECTRIC COMPANY, AND AN ELECTRIC COMPANY MAY PURCHASE FROM THE**  
31 **ELECTRICITY SUPPLIER, ACCOUNTS RECEIVABLE FOR THE PRODUCTS SPECIFIED IN**  
32 **PARAGRAPH (3) OF THIS SUBSECTION.**

1           **(J) NOTWITHSTANDING THE DEFINITION OF “ELECTRIC DISTRIBUTION**  
2 **SYSTEM SUPPORT SERVICES” IN § 7–1001 OF THIS TITLE, A DISTRIBUTED ENERGY**  
3 **RESOURCE AGGREGATOR THAT IS PROVIDING ELECTRIC DISTRIBUTION SYSTEM**  
4 **SUPPORT SERVICES AND IS PARTICIPATING IN A DEMAND RESPONSE PROGRAM MAY**  
5 **NOT BE LIMITED TO ACTING AT THE DIRECTION OF AN ELECTRIC COMPANY.**

6           **(K) ON OR BEFORE JANUARY 1, 2027, THE COMMISSION SHALL ADOPT**  
7 **REGULATIONS THAT:**

8                   **(1) REQUIRE ELECTRIC COMPANIES TO IMPLEMENT AND USE**  
9 **CONSOLIDATED BILLING:**

10                           **(I) ON OR BEFORE JULY 1, 2027; AND**

11                                   **(II) THAT INCLUDES PROTOCOLS FOR THE PURCHASE OF**  
12 **ACCOUNTS RECEIVABLE FOR PRODUCTS THAT COMBINE ELECTRICITY WITH**  
13 **DISTRIBUTED ENERGY RESOURCES THAT PROVIDE ELECTRIC DISTRIBUTION**  
14 **SUPPORT SERVICES IN ACCORDANCE WITH SUBSECTION (D)(3)(III) OF THIS**  
15 **SECTION;**

16                   **(2) ESTABLISH CYBERSECURITY STANDARDS AND INFORMATION**  
17 **EXCHANGE PROTOCOLS NECESSARY TO ENABLE ELECTRICITY SUPPLIERS AND**  
18 **DISTRIBUTED ENERGY RESOURCE AGGREGATORS TO PROVIDE PRODUCTS THAT**  
19 **COMBINE ELECTRICITY WITH ONE OR MORE DISTRIBUTED ENERGY RESOURCES**  
20 **THAT PROVIDE ELECTRIC DISTRIBUTION SUPPORT SERVICES IN ACCORDANCE WITH**  
21 **SUBSECTION (D)(3)(III) OF THIS SECTION;**

22                   **(3) REQUIRE ELECTRIC COMPANIES TO IMPLEMENT AND MAINTAIN**  
23 **NONDISCRIMINATORY AND EXPEDITED PROCEDURES FOR THE INTERCONNECTION**  
24 **OF DISTRIBUTED ENERGY RESOURCES TO FACILITATE PRODUCTS THAT COMBINE**  
25 **ELECTRICITY WITH ONE OR MORE DISTRIBUTED ENERGY RESOURCES THAT**  
26 **PROVIDE ELECTRIC DISTRIBUTION SUPPORT SERVICES WITHOUT GIVING ANY**  
27 **PREFERENCE TO DISTRIBUTED ENERGY RESOURCES PARTICIPATING IN ANY PILOT**  
28 **PROGRAM OR TARIFF UNDER SUBTITLE 10 OF THIS TITLE OR ANY OTHER**  
29 **SUCCESSOR PROGRAMS OR TARIFFS; AND**

30                   **(4) IMPLEMENT ANY OTHER CHANGES THAT THE COMMISSION**  
31 **DETERMINES NECESSARY TO ENABLE A COMPETITIVE MARKET FOR PRODUCTS**  
32 **THAT COMBINE ELECTRICITY WITH ONE OR MORE DISTRIBUTED ENERGY**  
33 **RESOURCES THAT PROVIDE ELECTRIC DISTRIBUTION SUPPORT SERVICES.**

34 7–604.2.

35           **(a) (1) In this section[, “default] THE FOLLOWING WORDS HAVE THE**

1 **MEANINGS INDICATED.**

2 (2) “**DEFAULT** gas commodity service” means the supply of retail gas  
3 commodity service by a customer’s gas company.

4 (3) “**EMISSIONS–REDUCING PRODUCT OR SERVICE**” **INCLUDES**  
5 **PRODUCTS AND SERVICES SUPPORTING:**

6 (I) **ENERGY EFFICIENCY, INCLUDING MAINTENANCE AND**  
7 **REPAIR;**

8 (II) **ANALYTICS–BASED EFFICIENCY MONITORING; AND**

9 (III) **OTHER ENERGY CONSUMPTION REDUCTION PRODUCTS.**

10 (b) (1) This subsection applies to residential gas supply other than default gas  
11 commodity service provided by a gas company.

12 (2) **[A SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A** gas  
13 **supplier that supplies gas to residential retail gas customers:**

14 (i) may offer gas service only at a price that does not exceed the  
15 trailing 12–month average of the gas company’s default gas commodity service in the gas  
16 company’s service territory as of the date of the agreement with the customer;

17 (ii) **[may offer residential gas supply only for a term not to exceed 12**  
18 **months at a time and] may automatically renew [the] A term only if the gas supplier**  
19 **provides notice to the customer 90 days before and 30 days before renewal;**

20 (iii) **[subject to paragraph (3) of this subsection,] may not offer a**  
21 **variable rate other than a rate that adjusts for seasonal variation not more than twice in a**  
22 **single year; and**

23 (iv) may not pay a commission or other incentive–based  
24 compensation to an energy salesperson for enrolling customers.

25 (3) **[Paragraph (2)(iii) of] NOTHING IN this subsection [does not] SHALL**  
26 **prohibit the offer and use of:**

27 (I) rates that differ based on the total number of therms used by a  
28 customer in any billing period, **INCLUDING THOSE:**

29 **1. THAT ARE PART OF A CONTRACT FOR A TERM**  
30 **GREATER THAN 12 MONTHS AT A TIME; OR**

1                   **2. THAT INCLUDE A THRESHOLD NUMBER OF THERMS**  
2 **USED BY THE CUSTOMER, BEYOND WHICH THE PRICE MAY EXCEED THE TRAILING**  
3 **12-MONTH AVERAGE OF THE GAS COMPANY'S DEFAULT GAS COMMODITY SERVICE**  
4 **IN THE GAS COMPANY'S SERVICE TERRITORY AS OF THE DATE OF THE AGREEMENT**  
5 **WITH THE CUSTOMER; OR**

6                   **(II) PRODUCTS THAT COMBINE NATURAL GAS WITH AN**  
7 **EMISSIONS-REDUCING PRODUCT OR SERVICE, INCLUDING THOSE:**

8                   **1. THAT ARE PART OF A CONTRACT FOR A TERM**  
9 **GREATER THAN 12 MONTHS AT A TIME; OR**

10                   **2. OFFERED AT A PRICE PER THERM THAT EXCEEDS THE**  
11 **TRAILING 12-MONTH AVERAGE OF THE GAS COMPANY'S DEFAULT GAS COMMODITY**  
12 **SERVICE IN THE GAS COMPANY'S SERVICE TERRITORY AS OF THE DATE OF THE**  
13 **AGREEMENT WITH THE CUSTOMER.**

14                   **(4) (I) [A] EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II) OF**  
15 **THIS PARAGRAPH, A gas supplier that supplies gas to residential retail gas customers may**  
16 **not sell to a gas company, and a gas company may not purchase from the gas supplier,**  
17 **accounts receivable.**

18                   **(II) A GAS SUPPLIER MAY SELL TO A GAS COMPANY, AND A GAS**  
19 **COMPANY MAY PURCHASE FROM THE GAS SUPPLIER, ACCOUNTS RECEIVABLE FOR**  
20 **PRODUCTS UNDER PARAGRAPH (3) OF THIS SUBSECTION.**

21 7-707.

22                   **(a) (1) In this section[, "green power"] THE FOLLOWING WORDS HAVE THE**  
23 **MEANINGS INDICATED.**

24                   **(2) "EMISSIONS-FREE ENERGY" MEANS ELECTRIC POWER OUTPUT**  
25 **FROM A GENERATING FACILITY THAT DOES NOT DIRECTLY PRODUCE ANY**  
26 **GREENHOUSE GAS EMISSIONS.**

27                   **(3) "EMISSIONS-FREE ENERGY CERTIFICATE" MEANS A CERTIFICATE**  
28 **OBTAINED THROUGH THE PJM ENVIRONMENTAL INFORMATION SERVICES, INC.,**  
29 **GENERATION ATTRIBUTE TRACKING SYSTEM FROM A GENERATING FACILITY THAT**  
30 **PRODUCES EMISSIONS-FREE ENERGY.**

31                   **(4) "EMISSIONS-REDUCING PRODUCT OR SERVICE" INCLUDES**  
32 **PRODUCTS AND SERVICES SUPPORTING:**

33                   **(I) HOME ELECTRIFICATION;**

1                   **(II) ENERGY EFFICIENCY, INCLUDING MAINTENANCE AND**  
 2 **REPAIR;**

3                   **(III) ANALYTICS–BASED EFFICIENCY MONITORING; AND**

4                   **(IV) OTHER ENERGY CONSUMPTION REDUCTION PRODUCTS.**

5                   **(5) “GREEN POWER”** means energy sources or renewable energy credits  
 6 that are marketed as clean, green, eco–friendly, environmentally friendly or responsible,  
 7 carbon–free, renewable, 100% renewable, 100% wind, 100% hydro, 100% solar, 100%  
 8 emission–free, or similar claims.

9           (b) This section does not apply to:

10                   (1) the Department of General Services when the Department of General  
 11 Services sells energy under § 7–704.4 of this subtitle;

12                   (2) a community choice aggregator under § 7–510.3 of this title; [or]

13                   (3) an electricity supplier when supplying electricity to commercial retail  
 14 electric customers; **OR**

15                   **(4) GREEN POWER PRODUCTS:**

16                               **(I) WITH TIME–OF–USE RATES THAT ESTABLISH DIFFERENT**  
 17 **RATES FOR PERIODS WITHIN A SINGLE DAY;**

18                               **(II) COMBINED WITH EMISSIONS–FREE ENERGY CERTIFICATES;**  
 19 **OR**

20                               **(III) THAT COMBINE ELECTRICITY WITH AN**  
 21 **EMISSIONS–REDUCING PRODUCT OR SERVICE.**

22 7–1001.

23           (a) In this subtitle the following words have the meanings indicated.

24                   (d) “Distributed energy resource” means an energy resource located on a  
 25 customer’s premises that:

26                   (1) produces or stores electricity; or

27                   (2) modifies the timing or amount of the customer’s electricity  
 28 consumption.

1           (e)   (1)   “Electric distribution system support services” means the dispatch and  
2 control of a distributed energy resource to provide services that contribute to the efficient  
3 and reliable operation of the electric distribution system by:

4                           (i)    an electric company; or

5                           (ii)   an aggregator acting at the direction of an electric company.

6           (2)   “Electric distribution system support services” includes:

7                           (i)    local or system peak demand reduction;

8                           (ii)   demand response;

9                           (iii)   the avoidance or deferral of a transmission or distribution  
10 upgrade or capacity expansion; and

11                           (iv)   facilitating hosting capacity to accommodate additional  
12 distributed energy resources.

13           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 2026.