(1980 Replacement Volume and 1983 Supplement)

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

Article 78 - Public Service Commission Law

2.

- (a) The following terms, and such variants thereof as may be due to requirements of grammar and syntax, when used in this article, shall be construed, unless the context clearly otherwise requires, in accordance with the following definitions:
- (OO) "SMALL RURAL ELECTRIC COOPERATIVE" MEANS AN ELECTRIC COMPANY THAT:
- (1) IS OWNED AND CONTROLLED EXCLUSIVELY BY THE CONSUMERS WHOM IT SERVES;
 - (2) CONDUCTS ITS BUSINESS ON A NONPROFIT BASIS; AND
- (3) SUPPLIES ELECTRICITY TO LESS THAN 1,000 <u>ELECTRIC</u> METERS IN MARYLAND.

54D.

(a) [Any] EXCEPT FOR A SMALL RURAL ELECTRIC COOPERATIVE, ANY A steam heating, gas, or electric utility which directly passes on to its customers any change in its fuel costs, costs of purchased power, or costs of purchased gas is required each month to verify and justify the adjusted costs to the Commission. The Commission shall conduct a public evidentiary hearing no less frequently than once every six months on these changes. The Commission shall order a utility to charge off and amortize, by means of a temporary decrease of rates any charges it finds were unjustified upon the failure of the company to show that its charges were based solely on increased fuel purchased power or purchased gas costs or upon the failure of the company to follow competitive practices in the procurement and purchasing of said fuel, purchased power, or purchased gas or upon a showing that the company was unreasonable in its fuel procurement and purchasing practices.

68.

(a) The Commission shall have the power to determine just and reasonable rates of public service companies, EXCEPT-SMABB RURAB-EBECTRIC-COOPERATIVES, whether as maximum, minimum or maximum and minimum, respectively. The rates so determined shall be fixed by order to be served upon each public service company affected thereby. THIS SUBSECTION DOES NOT APPLY TO SMALL RURAL ELECTRIC COOPERATIVES.