

**CITY OF BALTIMORE
COUNCIL BILL 06-0171R
(Resolution)**

Introduced by: Councilmembers Mitchell, Harris, Young, Spector, Clarke, Holton, Welch,
President Dixon, Councilmembers Reisinger, Young, Rawlings Blake, Conaway, Kraft,
Curran
Introduced and adopted: May 1, 2006

A COUNCIL RESOLUTION CONCERNING

Public Service Commission – Appeal of Electric Rate Increase Decision

FOR the purpose of requesting the City Solicitor to appeal the electric rate increase deferral plan, approved in a closed door session by the Public Service Commission, that will allow a 72% increase in electric rates to be phased in over an 18-month period.

Recitals

In a private, closed-door meeting convened after a contentious public hearing on Friday, April 28, 2006, the Public Service Commission approved, by a vote of 4 to 1, an unprecedented 72% increase in electric rate “deferral plan” that would spread the payments over an 18-month period and disallow a 5% interest charge.

The Public Service Commission’s ratification of the exorbitant increase, imposed by the Florida-based parent company of the Constellation Energy Group and BGE, came despite long-ranging attempts of State elected officials to ameliorate the impact of the electric rate increase on rate payers.

Spreading the increase over an 18-month period and disallowing the 5% interest rate – that amounts to a cumulative reduction of a paltry \$20 on the medium amount owed by rate payers who opt for the deferral plan – will do little to relieve the fiscal burden on the budgets of the average customer and will break the budgets of the poor and those elderly and disabled who live on a fixed income.

The Public Service Commission is appointed to serve the public of the State of Maryland and as such has always had public meetings in locations and at times that allow the public broad access to their deliberations. However, its most important hearing in 6 years effectively excluded the public by holding the hearing at a time and place inaccessible to the public – 2 p.m. on a Thursday, workday afternoon.

The rapid approval of the increase in electric rates, despite opposition by those elected to represent the people and without broader public input, is unconscionable. Even before the increase, people have gone without heat and light because of an inability to pay their electric bills. This Public Service Commission has done nothing of service for the public but, instead, has served to line the pockets of the already wealthy power industry giant.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the City
2 Solicitor is requested to appeal the electric rate increase deferral plan, approved in a closed door
3 session by the Public Service Commission, that will allow a 72% increase in electric rates to be
4 phased in over an 18-month period.

5 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Governor,
6 Mayor, the City Solicitor, the Honorable Members of the Baltimore City Delegation to the
7 Maryland General Assembly, the Chairman and Members of the Public Service Commission, the
8 Executive Director of the Mayor's Office of State Relations, and the Mayor's Legislative Liaison
9 to the City Council.