

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Sections 3-302(a) and 3-302(b) of Article - Natural Resources, of the Annotated Code of Maryland (1973 Volume) be and they are hereby repealed and re-enacted, with amendments, to read as follows:

Article - Natural Resources

3-302.

(a) The Environmental Trust Fund is created and continued. For the purpose of this subtitle, there is established as an added cost of generation, an environmental surcharge per kilowatt hour of electric energy generated in the State to be paid by any electric company as defined in the Public Service Commission Law. This surcharge initially shall be assessed at 0.1 mill per kilowatt hour as of January 1, 1972. The Public Service Commission shall impose the surcharge per kilowatt hour of electric energy generated within the State [by authorizing] AND SHALL AUTHORIZE the electric companies to add the full amount of the surcharge to customers' bills. TO THE EXTENT THAT THE SURCHARGE IS NOT COLLECTED FROM CUSTOMERS, THE SURCHARGE SHALL BE DEEMED A COST OF GENERATION AND SHALL BE ALLOWED AND COMPUTED AS SUCH, TOGETHER WITH OTHER ALLOWABLE EXPENSES, FOR RATE-MAKING PURPOSES. Revenues from the surcharge [made by electric companies] shall be collected by the Comptroller and placed in the Fund.

(b) The Secretary annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle. Upon approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year. The surcharge may not continue beyond 1985 nor may it ever exceed 0.3 mill per kilowatt hour. The Comptroller shall maintain the method of collection of the surcharge from the companies and the collections shall accrue to the [']Fund[']. THE DEPARTMENT SHALL CREDIT AGAINST THE AMOUNT REQUIRED TO BE PAID INTO THE ENVIRONMENTAL TRUST FUND BY EACH ELECTRIC COMPANY AN AMOUNT EQUAL TO 1-1/2% OF THE TOTAL SURCHARGE ATTRIBUTED TO EACH COMPANY ON THE BASIS OF THE ELECTRICITY GENERATED WITHIN MARYLAND. [The utilities are not required to pay into the Fund a greater amount than that which has been collected less 1-1/2% for expenses incurred in the collection of the surcharge.]

SECTION 2. AND BE IT FURTHER ENACTED, That Section 54B(c) of Article 78 - Public Service Commission Law, of the Annotated Code of Maryland (1969 Replacement Volume