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Maryland PSC Sets Plans to Refund Residential Utility Customers

First of two credits to appear on late summer bills

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(BALTIMORE, MD) - The Maryland Public Service Commission has established a plan to provide bill credits to residential electricity customers under the Next Generation Energy Act (Senate Bill 937/House Bill 1035) that authorized the creation of the Legislative Energy Relief Refund, was passed by the General Assembly in the 2025 legislative session and signed by Governor Wes Moore. The \$200 million authorized for refunds will be applied to utility bills in two phases - one in August or September of this year, and one in either January or February of 2026.

"The Commission reviewed a number of proposals from utilities, the Office of People's Counsel, the Commission's Technical Staff and other stakeholders and has selected a plan that will allow for the most equitable, efficient and timely distribution of refunds to provide relief to customers, particularly those most affected by bill increases this past winter," said Frederick H. Hoover, Chair of the Public Service Commission.

The amount of individual refunds will be based on average customer electricity usage over a year; the estimated refund amount for both phases would be an average of about \$80 per customer depending upon the utility service territory. Lower usage customers would see lower credits and higher usage customers would receive higher credits. To ensure all customers receive some meaningful benefit the Commission has directed the utilities to direct 25 percent of the refunds this summer to minimum credits.

To be eligible for the first round of credits, the customer must have an active residential electric account as of June 1, 2025, must have recorded electricity usage during the 12-month period ending March 31, 2025 (to cover the impacts of this past winter's heating season), and must be an active account holder during the billing month in which the credit is applied to the customer's bill.

The Commission also noted that it is possible there will be customers receiving the credit who can afford to pay their bills but may wish to assist other customers who cannot. The Commission asked parties to develop messaging or promotion to accompany the bill credits that highlight programs customers can use to donate money (unrelated to the bill credit) to, such as Fuel Fund of Maryland or SMECO's Members Helping Members program.

Also, the Commission requested the utilities to examine their ability to redirect a customer's credit to customers who receive bill assistance through the state's Office of Home Energy Programs, if requested by the customer. While this may not be feasible for the first round of bill credits, the parties should consider if such a mechanism could be implemented for the winter 2026 bill credits.

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), private water and sewer companies, passenger motor vehicle carriers for hire, taxicab companies in some jurisdictions and bay pilot rates. The Commission implements the energy policy of the State and also regulates the siting of energy generating facilities and high-voltage transmission lines.

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