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### **BGE's customers to get \$170 rebate**

By Timothy B. Wheeler and Bradley Olson

Sun reporters

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BGE customers will get one-time rebates of \$170 and other benefits totaling \$2 billion in the coming years under a settlement agreement with the utility's parent company approved by the General Assembly last night.

The deal passed in the final hours of the General Assembly session after the Senate reversed course on an amendment seeking to partially reregulate Maryland's electric utilities. Gov. Martin O'Malley, who announced the deal with Constellation Energy Group last week, had said the amendment would have killed the deal.

"I'm very, very glad the Constellation settlement passed," O'Malley said. "It's a \$2 billion win for consumers, and it's the first good news consumers have had on this front for quite a few years. So we still have big challenges ahead of us, but at least we've resolved this."

O'Malley and legislative leaders secured the deal by persuading one of the amendment's sponsors, Sen. Jim Rosapepe, a Democrat from [Prince George's County](#), to support the original version of the legislation authorizing the settlement.

Rosapepe noted that the settlement would not preclude the state from returning to regulation and urged his colleagues to reverse course rather than jeopardize the rebates.

"Today, we have the opportunity to approve a rollback of \$2 billion of overcharges of ratepayers in the past," he said. "And tomorrow, the fight to end deregulation continues, because nothing in this legislation will stop it."

The Senate voted 34-11 to approve an unamended version of the bill, which had already passed the House of Delegates.

The about-face capped off a spirited lobbying blitz that was touched off by the Senate amendment Thursday, sending O'Malley, top lawmakers, industry representatives and legislative staffers out to woo rebellious senators over the weekend.

O'Malley said the overarching debate over the future regulatory structure for the energy industry in Maryland would continue.

"That debate is still unfolding," O'Malley said. The settlement "only resolves the past."

The pact reached by state officials and Constellation less than two weeks ago would give one-time \$170

rebates to each of the 1.1 million residential ratepayers served by Constellation's subsidiary, [Baltimore Gas and Electric Co.](#) The rebates would be worth a total of \$187 million.

The deal also would secure \$346 million in credits that the company had sued to reclaim and would spare ratepayers the obligation to pay up to \$1.5 billion more over the years for the eventual dismantling of the aging Calvert Cliffs nuclear power plants in Southern Maryland.

The agreement ended a bitter public and legal feud, with both sides agreeing to drop lawsuits against each other.

But the truce was cast in doubt Friday, when the Senate tacked an extra provision onto the settlement. The amendment, offered by Rosapepe and Sen. E.J. Pipkin, an Eastern Shore Republican, would have required any new power plant built in Maryland to offer its electricity for sale in the state and to be subject to regulation by the state Public Service Commission.

Senate President [Thomas V. Mike Miller Jr.](#) has said he believed senators whose districts lie outside the BGE service area should follow the lead of those colleagues whose constituents will have to live with the settlement.

Sen. [Nathaniel J. McFadden](#), a Baltimore City Democrat who voted for the Pipkin-Rosapepe amendment, said he had been getting a lot of pressure from O'Malley's office. Last night, he voted for the settlement without the amendment.

"I think we can do better," said McFadden, the president pro tem of the Senate. Still, he said, O'Malley assured him that once the settlement moves through, the state can again look for ways to cut consumers' electricity rates.

McFadden said his constituents are excited about the \$170 credit, but he worried it wouldn't be enough because it would just be a one-time payment.

"I want to know what steps can be put into place so we can move forward and go back to a regulated environment," he said, but he added that he didn't want that effort to kill the bill.

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