

# HOUSE BILL 587

C5

3lr1427

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By: **Delegate Davis**

Introduced and read first time: January 31, 2013

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 16, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Electric Companies – Service Quality and Reliability Standards – Vegetation**  
3 **Management**

4 FOR the purpose of prohibiting a county or municipal corporation from ~~enacting a~~  
5 ~~local law that prevents an electric company from complying~~ taking certain  
6 actions that interfere with, or materially increase costs of, compliance with  
7 certain vegetation management standards; ~~defining a certain term;~~ and  
8 generally relating to vegetation management.

9 BY repealing and reenacting, with amendments,  
10 Article – Public Utilities  
11 Section ~~7-213(a) and (e)~~ 7-213(e)  
12 Annotated Code of Maryland  
13 (2010 Replacement Volume and 2012 Supplement)

14 BY repealing and reenacting, without amendments,  
15 Article – Public Utilities  
16 Section ~~7-213(b)~~ 7-213(a), (b), (c), and (d)  
17 Annotated Code of Maryland  
18 (2010 Replacement Volume and 2012 Supplement)

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

21 **Article – Public Utilities**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 7-213.

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) “System-average interruption duration index” or “SAIDI” means  
4 the sum of the customer interruption hours divided by the total number of customers  
5 served.

6 (3) “System-average interruption frequency index” or “SAIFI” means  
7 the sum of the number of customer interruptions divided by the total number of  
8 customers served.

9 ~~(4) “VEGETATION MANAGEMENT” MEANS THE ROUTINE~~  
10 ~~MAINTENANCE OF RIGHTS OF WAY OR EASEMENTS OWNED BY AN ELECTRIC~~  
11 ~~COMPANY BY PRUNING OR CLEARING VEGETATION NEAR TRANSMISSION OR~~  
12 ~~DISTRIBUTION LINES.~~

13 (b) It is the goal of the State that each electric company provide its  
14 customers with high levels of service quality and reliability in a cost-effective manner,  
15 as measured by objective and verifiable standards, and that each electric company be  
16 held accountable if it fails to deliver reliable service according to those standards.

17 (c) This section does not apply to small rural electric cooperatives or  
18 municipal electric companies.

19 (d) On or before July 1, 2012, the Commission shall adopt regulations that  
20 implement service quality and reliability standards relating to the delivery of  
21 electricity to retail customers by electric companies through their distribution  
22 systems, using:

23 (1) SAIFI;

24 (2) SAIDI; and

25 (3) any other performance measurement that the Commission  
26 determines to be reasonable.

27 (e) (1) The regulations adopted under subsection (d) of this section shall:

28 (i) include service quality and reliability standards, including  
29 standards relating to:

30 1. service interruption;

31 2. downed wire response;

- 1 3. customer communications;
- 2 4. vegetation management;
- 3 5. periodic equipment inspections;
- 4 6. annual reliability reporting; and
- 5 7. any other standards established by the Commission;

6 (ii) account for major outages caused by events outside the  
7 control of an electric company; and

8 (iii) for an electric company that fails to meet the applicable  
9 service quality and reliability standards, require the company to file a corrective  
10 action plan that details specific actions the company will take to meet the standards.

11 (2) The regulations adopted under subsection (d) of this section may  
12 include a separate reliability standard for each electric company in order to account  
13 for system reliability differentiating factors, including:

- 14 (i) system design;
- 15 (ii) existing infrastructure;
- 16 (iii) customer density; and
- 17 (iv) geography.

18 (3) In adopting the regulations required under subsection (d) of this  
19 section, the Commission shall:

20 (i) consider applicable standards of the Institute of Electrical  
21 and Electronics Engineers;

22 (ii) ensure that the service quality and reliability standards are  
23 cost-effective; and

24 (iii) with respect to standards relating to vegetation  
25 management, consider:

- 26 1. limitations on an electric company's right to access  
27 private property; and
- 28 2. customer acceptance of vegetation management  
29 initiatives.

1                   (4) A COUNTY OR MUNICIPAL CORPORATION MAY NOT ~~ENACT~~  
2 ~~ADOPT OR ENFORCE A LOCAL LAW FOR THE PLANTING, CARE, AND PROTECTION~~  
3 ~~OF VEGETATION THAT PREVENTS AN ELECTRIC COMPANY FROM COMPLYING~~  
4 ~~LAW, RULE, OR REGULATION OR TAKE ANY OTHER ACTION THAT INTERFERES~~  
5 ~~WITH, OR MATERIALLY INCREASES THE COST OF THE WORK OF AN ELECTRIC~~  
6 ~~COMPANY TOWARD, COMPLIANCE WITH THE VEGETATION MANAGEMENT~~  
7 ~~STANDARDS ADOPTED UNDER SUBSECTION (D) OF THIS SECTION.~~

8                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 ~~July~~ June 1, 2013.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.