

Department of Legislative Services
 Maryland General Assembly
 2015 Session

FISCAL AND POLICY NOTE
Revised

House Bill 541
 Economic Matters

(Delegate Barkley, *et al.*)

Finance

Public Service Commission - Attachments to Utility Poles - Study

This bill requires the Public Service Commission (PSC) to convene a workgroup of interested persons to study attachments to utility poles in Maryland. PSC must report its findings and recommendations to the General Assembly by December 31, 2015.

The bill takes effect June 1, 2015, and terminates June 30, 2016.

Fiscal Summary

State Effect: Special fund expenditures for PSC increase by up to \$50,000 in FY 2016 for contractual consultant services related to the workgroup; special fund revenues increase correspondingly from assessments on public service companies, as authorized under current law. PSC can otherwise convene the workgroup and prepare the required report with existing budgeted resources.

(in dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
SF Revenue	\$50,000	\$0	\$0	\$0	\$0
SF Expenditure	\$50,000	\$0	\$0	\$0	\$0
Net Effect	\$0	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Minimal.

Small Business Effect: Minimal.

Analysis

Bill Summary: In conducting the study, the workgroup must examine:

- whether regulation of pole attachment agreements at the State level is in the public interest;
- the rates currently charged by utilities for pole attachments;
- whether access to poles and other utility infrastructure by third parties is just and reasonable;
- the types of technology currently being attached to poles, and the positioning of the technology on the poles;
- the prevalence of double poles in the State;
- the quality and effectiveness of the notice between utilities and the utilities' pole attachment customers regarding removal or modifications of facilities, rates, and the termination of pole attachment agreements;
- the resources necessary to effectively regulate pole attachments in the State; and
- any additional issues related to pole attachments in the State.

Current Law: “Electric company” means a person who physically transmits or distributes electricity in the State to a retail electric customer. “Telephone company” means a public service company (utility) that owns telephone lines to receive, transmit, or communicate telephone or teletype communications, or leases, licenses, or sells telephone or teletype communications. It does not include a cellular telephone company.

PSC regulations require electric infrastructure to be constructed, installed, maintained, and operated in accordance with accepted good engineering practice in the electric industry to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property. Each electric company must adopt written operation and maintenance procedures for its electric plant in order to determine the necessity for replacement and repair.

PSC regulations require each telephone company to furnish and maintain adequate plant, equipment, and facilities to provide satisfactory transmission of communications between customers in its service area. A telephone company must adopt a program of periodic tests, inspections, and other preventive maintenance activity to provide safe, adequate, and reliable service.

Background: Utility poles often support both electric and telephone lines, which may be owned by either an electric company or a telephone company. The bill requires PSC to convene a workgroup to address various issues that arise when multiple entities share the same utility pole.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission, Office of People's Counsel,
Department of Legislative Services

Fiscal Note History: First Reader - February 27, 2015
min/lgc Revised - House Third Reader - March 30, 2015

Analysis by: Stephen M. Ross

Direct Inquiries to:
(410) 946-5510
(301) 970-5510