

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 808
Economic Matters

(Delegate Tarlau, *et al.*)

Public Service Commission - Damaged or Dangling Utility Lines - Fine

This bill requires the Public Service Commission (PSC), if an individual notifies PSC of a damaged or dangling line on a utility pole, to promptly notify the person that controls the line about the damaged or dangling line. Within 30 days after receiving notice from PSC, the person that controls the line must investigate and, where appropriate, repair the line. If the line is not repaired within 30 days of receiving notice, PSC must impose a fine of up to \$250 on the person that controls the line for each 30-day period that the line remains damaged or dangling.

Fiscal Summary

State Effect: PSC can handle the bill's requirements with existing budgeted resources. State finances are not materially affected.

Local Effect: Local government finances and operations are not materially affected.

Small Business Effect: None.

Analysis

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.

PSC Civil and Criminal Penalties

In addition to any other penalty authorized, PSC may impose a civil penalty of up to \$25,000 against a person who violates specified provisions or an outstanding direction, order, rule, or regulation of PSC. Each day or part of a day the violation continues is a separate offense.

Public service companies that violate PSC provisions relating to safety are subject to a civil penalty of up to \$25,000 per violation for each day that the violation persists. Civil penalties collected by PSC are paid into the general fund.

An individual who knowingly aids or abets a public service company in violating PSC rules, orders, and regulations is guilty of a misdemeanor, and unless a different punishment is specified, on conviction is subject to a fine of up to \$1,000 for a first offense and up to \$5,000 for a subsequent offense.

Background: Utility poles often support both electric and telephone lines, which may be owned by either an electric company or a telephone company. Chapter 431 of 2015 required PSC to convene a workgroup of interested persons to study attachments to utility poles in Maryland. PSC [reported](#) its findings and recommendations to the General Assembly in January 2016. The primary focus of the report relates to double attached poles, but there is also discussion related to damaged or dangling wires.

One of the PSC staff recommendations to facilitate the removal of double poles is that a statewide communications system, the National Joint Utilities Notification System (NJUNS), be adopted to improve communications and accountability for joint operations among all Maryland utilities. The report notes that NJUNS can address loose or low-hanging wires in the same way that it addresses double poles. An interested party or pole owner can create a ticket, and all affected parties are then notified in sequential order of the need to perform the necessary maintenance. The creator of the ticket can monitor

the status and steps of the maintenance work. The cost for the first year of NJUNS is \$33,000 per state, comprised of \$12,000 for the initiation fee and \$21,000 in operation and maintenance. After the first year, member states only pay for the operation and maintenance cost. The report recommends that the cost be distributed across the affected utilities based on the percentage of distribution service accounts, resulting in a minimal expense for each utility.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission, Department of Legislative Services

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Analysis by: Stephen M. Ross

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