

HOUSE BILL 423

C5

8lr0395

By: **Delegates Tarlau, Angel, Carr, Chang, Fennell, Gutierrez, Hettleman, Korman, Krimm, J. Lewis, Luedtke, A. Miller, Mosby, Patterson, Pena-Melnyk, Sanchez, Sophocleus, A. Washington, Wilkins, and P. Young**

Introduced and read first time: January 24, 2018

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies – Vegetation Management – Notice to Municipal**
3 **Corporations**

4 FOR the purpose of requiring an electric company, before performing certain vegetation
5 management, to provide notice of the proposed vegetation management to the
6 municipal corporation where the vegetation management will be performed; and
7 generally relating to vegetation management.

8 BY repealing and reenacting, without amendments,
9 Article – Public Utilities
10 Section 7–213(a), (c), and (d)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2017 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Public Utilities
15 Section 7–213(e)
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2017 Supplement)

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

20 **Article – Public Utilities**

21 7–213.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) (i) “Eligible reliability measure” means a replacement of or an
2 improvement in existing infrastructure of an electric company that:

3 1. is made on or after June 1, 2014;

4 2. is designed to improve public safety or infrastructure
5 reliability;

6 3. does not increase the revenue of an electric company by
7 connecting an improvement directly to new customers; and

8 4. is not included in the current rate base of the electric
9 company as determined in the electric company’s most recent base rate proceeding.

10 (ii) “Eligible reliability measure” includes vegetation management
11 measures that are necessary to meet applicable service quality and reliability standards
12 under this section.

13 (3) “Fund” means the Electric Reliability Remediation Fund established
14 under subsection (j) of this section.

15 (4) “System–average interruption duration index” or “SAIDI” means the
16 sum of the customer interruption hours divided by the total number of customers served.

17 (5) “System–average interruption frequency index” or “SAIFI” means the
18 sum of the number of customer interruptions divided by the total number of customers
19 served.

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

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

25 (1) SAIFI;

26 (2) SAIDI; and

27 (3) any other performance measurement that the Commission determines
28 to be reasonable.

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

30 (i) include service quality and reliability standards, including
31 standards relating to:

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

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

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

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

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

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

22 (i) consider applicable standards of the Institute of Electrical and
23 Electronics Engineers;

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

26 (iii) with respect to standards relating to vegetation management,
27 consider:

28 1. limitations on an electric company's right to access private
29 property; and

