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PUBLIC SERVICE COMMISSION

March 12, 2020

Chairman Dereck E. Davis
Economic Matters Committee
House Office Building, Room 231
Annapolis, MD 21401

RE: INFORMATION - HB 1207 Electric Companies – Conduit Installation – Single-Family Detached Developments

Dear Chairman Davis and Committee Members:

The Maryland Public Service Commission approved Southern Maryland Electric Cooperative's (SMECO) current Retail Electric Service Tariff in 2006. The relevant portion of the tariff (Total Conduit Environmental Policy) states:

Subdivision Developers and Builders shall be responsible for the installation of ALL conduit that may be required for SMECO's proposed underground electric system anywhere within the subdivision. This conduit shall be supplied by the Developer/Builder and shall be installed per SMECO's specifications and requirements.

SMECO's tariff is not unique when compared to other Maryland utilities; BGE, Pepco, and Potomac Edison also require builders to pay for conduit installation.¹

On April 29, 2019, the Maryland Building Industry Association (MBIA) filed a petition for an immediate stay of SMECO's Policy. The Commission denied the MBIA petition on July 17, 2019 after both parties had an opportunity to file written pleadings and appear before the Commission. The Commission determined that the tariff was clear and that SMECO reserved the right to ensure a total conduit environment beginning with the Tariff's 2006 effective date.

Please contact Lisa Smith, Director of Legislative Affairs at 410-767-8035 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Jason M. Stanek'.

Jason Stanek, Chairman

¹ BGE's tariff states, "The Company may require the Customer to provide and install at the Customer's expense suitable conduit where the Customer installs paving in areas such as roadways, driveways, or patios prior to the Company's installation of its cable or where the cable route is such that future maintenance would likely require other than direct buried cable installation." The Pepco tariff states, "The Company may also furnish conduit to the Applicant for installation by him at his cost for his use under driveways, patios, sidewalks, walls or other obstructions or in advance of paving. The Potomac Edison tariff says the applicant shall pay for the conduit.