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HB 1207 Electric Companies – Conduit Installation – Single–Family Detached Developments

Unfavorable

Potomac Edison, a subsidiary of FirstEnergy Corp., serves about 270,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties). FirstEnergy is dedicated to safety, reliability and operational excellence. Its ten electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, West Virginia, Maryland and New York.

Potomac Edison requests an Unfavorable report on HB 1207 for the following reasons.

House Bill (HB) 1207 prohibits an electric company from requiring a builder or developer of a single-family detached development to install, at the builder's or developer's own cost, conduit that may be required for the electric company's proposed underground electric system anywhere within the development. The bill proposes to reverse course on customer trenching, undoing the positive impacts of this practice. In effect, it would raise rates for all customers and give builders and developers less ability to efficiently complete their projects and get to the market.

Builders and developers have expressed a preference for being responsible for the installation of required conduit. They view it as giving them more control over their project schedules and allowing for efficiencies to be realized by contractors. This is because contractors, that can do the installations, are already on site.

HB 1207 would have significant negative impacts on Potomac Edison's customers. Because, it would result in substantial dollars needing to be collected through an increase in electric rates charged to all customers.

To avoid these negatives, Potomac Edison respectfully requests an **unfavorable report** on HB 1207.