



AN EXELON COMPANY

## Position Statement

OPPOSE  
Economic Matters  
2/23/2023

### **HB 1103 – Electric Companies – Reliability Standards and Annual Report**

Baltimore Gas and Electric Company (BGE) opposes *House Bill 1103 – Electric Companies – Reliability Standards and Annual Report*. House Bill 1103 would direct electric companies within the state to adopt new and additional performance measurements for infrastructure within its service territory. The bill also would require the Public Service Commission (PSC) to establish electric service quality and reliability standards.

Currently, electric utilities within Maryland are required to comply with COMAR 20.50.1.03A which established the Poorest Performing Feeder Standard for Feeders Assigned to Maryland. Specifically, the code stipulates:

- (1) A utility shall report in its annual performance report CAIDI, SAIDI, and SAIFI indices for all feeders assigned to Maryland that are identified by the utility as having the poorest feeder reliability.
- (2) For each utility, each index shall be calculated and reported in the annual performance report using all interruption data, and all interruption data minus the following exclusions:
  - (a) Source loss, including any outage that occurs on the feeder by an event occurring external to the feeder;
  - (b) Major outage events; and
  - (c) Planned outages.
- (3) For each utility, the feeders with poorest reliability shall be all feeders having circuit reliability performance 250 percent or more above the utility's System-Wide SAIFI and SAIDI, which shall be calculated in accordance with the exclusions identified in § A(2) of this regulation.
- (4) No feeder shall appear in a utility's list of poorest performing feeders during three consecutive 12-month reporting periods, unless the utility has undertaken reasonable remediation measures to improve the performance of the feeder.

House Bill 1103 would prevent a utility from excluding major outage events when measuring reliability performance; events over which a utility has no control. As such, events including severe thunderstorms, hurricanes, wind events and even potential physical attacks on infrastructure would contribute to the perceived performance of a feeder

In addition, House Bill 1103 would reduce the performance measurement period for non-compliance from three consecutive 12-month periods to any single 12-month period. This reduction in the performance measurement period in conjunction with the expanded inclusion of major outage events would drastically increase the number of feeders considered non-compliant thereby triggering corrective action plans at significant expense to a utility's rate payers.

In short, it is BGE's position that the performance of an electric feeder may not be reasonably assessed in a single 12-month period while including major outage events and that the current Poorest Performing Feeder Standard established by COMAR presents a more reasonable and actionable approach.

BGE respectfully requests that the Committee issue an unfavorable vote on this legislation.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.2 million electric customers and more than 655,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC).