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HB 1103: Electric Companies – Reliability Standards and Annual Report

Committee: House Economic Matters

Position: OPPOSED

Southern Maryland Electric Cooperative (SMECO), a member-owned electric cooperative based in Hughesville that provides electricity to more than 170,000 member accounts in Charles, St. Mary's, Calvert and southern Prince George's County, opposes House Bill 1103. The bill would require an electric company to include in its annual report the location of feeders in its service territory that have experienced frequent service interruptions and to include a plan to reduce frequent service interruptions. The bill would further require the Public Service Commission (PSC) to establish, in conjunction with the Office of People's Council (OPC), electric service quality and reliability standards.

SMECO opposes HB 1103 because electric utilities within Maryland are already required to comply with COMAR 20.50.1.03A which established the Poorest Performing Feeder Standard for feeders assigned to Maryland. The COMAR regulation was developed in consultation with electric companies, staff, OPC and other interested counties and it defines a poorest performing feeder as one that has performance of 250% or more above the utility's system wide SAIDI and SAIFI during a 12 month period, excluding source loss, major outage events and planned outages. In addition, no feeder shall appear in a utility's list of poorest performing feeders during three consecutive 12-month periods, unless the utility has undertaken reasonable mediation measures to improve performance of the feeder. There is also a requirement to report in the annual performance report, the feeders identified as requiring remediation measures, a brief description of the actions taken or proposed, if any, to improve reliability and the expected completion date of the action.



HB 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 which would require corrective action plans at an expense to SMECO's ratepayers.

SMECO believes that the current COMAR regulations adequately addresses identifying and remediating poorest performing feeders and no changes to current regulations are needed. For that and the reasons explained above, SMECO urges the committee to give an unfavorable report to House Bill 1103.