



February 23, 2023

112 West Street
Annapolis, MD 21401

OPPOSE – House Bill 1103- Electric Companies - Reliability Standards

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully oppose *House Bill 1103- Electric Companies – Reliability Standards*. House Bill 1103 requires electric companies to include information pertaining to the location of feeders that have experienced frequent service interruptions and to develop a plan to reduce those interruptions. Additionally, the proposed legislation requires the Public Service Commission (PSC) to establish, in consultation with the Office of the People’s Counsel and other entities, electric service quality and reliability standards.

Currently, electric companies within Maryland are required to comply with COMAR 20.50.12.03A which established the Poorest Performing Feeder Standard for Feeders Assigned to Maryland. This requires electric companies to report to the PSC, System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI), and Customer Average Interruption Duration Index (CAIDI) indices for all feeders assigned to Maryland that are identified by the utility as having the poorest feeder reliability. Poorest feeder reliability is defined as “all feeders having circuit reliability performance 250 percent or more above the utility’s System-Wide SAIFI and SAIDI.” The Poorest Performance Standard (PPF) further provides that “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.” This information is filed each year in the Annual Performance report. In addition to this bill being largely duplicative of the poorest performing standard in COMAR, this legislation considers frequent service interruptions as feeders having a circuit reliability performance of 200% or more above the system-average interruption frequency, whereas the existing COMAR rule indicates that poorest reliability are feeders having circuit reliability performance 250% or more above the utility’s System-Wide SAIFI and SAIDI, which could increase corrective action plan reporting. This 250% standard was established in a workgroup with subject matter experts lead by the Chief Engineer of the PSC.

House Bill 1103 would prevent an electric company from excluding major outage events when measuring reliability performance, events which an electric company has no control. As such, severe weather events, thunderstorms, hurricanes, wind events and even potential physical attacks on infrastructure would contribute to the perceived performance of a feeder. Excluding major outage events when measuring reliability performance is considered a best practice that has been in the rules since the Service Quality and Reliability rules were adopted. Additionally, the legislation reduces 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, as well as the inclusion of major outages would drastically increase the number of feeders considered non-compliant and trigger unnecessary corrective action plans.

Finally, House Bill 1103 requires electric companies to provide specific locations of feeders in the service territory that have experienced frequent service interruptions. Due to increased concerns pertaining to grid security, it is inappropriate to share exact feeder locations, and the ability to protect that information is important. It is essential to operational security that sensitive information about critical infrastructure that could endanger the integrity of the electric power grid is not publicized. Publicizing exact feeder locations exposes us and our customers to unnecessary risk.

Pepco and Delmarva Power strive to provide our customers with the highest level of service quality and reliability, and we understand the importance of being held accountable for meeting reliability standards. However, we feel the current law and process the PSC has established is not only sufficient, but also effective and it allows for the appropriate amount of information to be shared to ensure we are being held accountable and meeting reliability standards. While we acknowledge House Bill 1103 is well-intentioned, we believe it is duplicative and unnecessary and respectfully ask for an unfavorable report.

Contact:

Anne Klase
Senior Manager, State Affairs
240-472-6641
Annek.klase@exeloncorp.com

Katie Lanzarotto
Manager, State Affairs
202-428-1309
Kathryn.lanzarotto@exeloncorp.com