

February 14, 2023
Via Electronic Mail

Economic Matters Committee
Delegate C.T. Wilson, Chair
Delegate Brian Crosby, Vice Chair

I am writing to you as a concerned citizen.
Street lighting is typically the largest component of a city or town's electricity cost.

Maryland Municipalities deserve better than to be under the yoke of public regulated utilities that have failed in their basic role of providing the customers good service at a reasonable cost.

Municipalities in Maryland deserve options when it comes controlling the costs, maintenance, and aesthetics of street lights in their communities.

A report issued by the Maryland Energy Administration in 2020 identified conversion of utility-owned lights to municipal ownership as a best practice and highlighted the need for regulatory action or legislation. Pepco was identified as one of the slowest utilities to modernize its lighting to low-maintenance, energy efficient LED technology.

It appears that only 4% of 65,000 Pepco owned lights in Montgomery & Prince George's Counties Maryland have been updated.

Many communities in many states like Connecticut, Massachusetts, Rhode Island, New York, Pennsylvania, Maine, and the District of Columbia, are enjoying cost savings, aesthetic control, and improved services since they assumed ownership of their street lights.

Cities and Towns are motivated to save energy while utilities derive their income by selling electricity, so the motivation is different.

Ironically, municipal acquisition of utility-owned lights has been our state policy since the passage of a law in 2007. We are supposed to have this option! However, despite the 2007 law, none of the more than 40 municipalities in the Pepco region has been successful in acquiring their lights due to - as the Maryland Public Service Commission (MD PSC) put it - Pepco's "foot dragging" in providing a real path to the option of Municipal street light ownership.

In 2021, the Maryland Public Service Commission (MD PSC) rejected Pepco's flawed street lighting upgrade proposal (case 9655) after objections from

municipalities and other parties about its failure to meet local needs. Pepco's multi-year tariff was not advantageous to Maryland municipalities either economically or aesthetically.

After Pepco filed tariff revisions in April 2022, the MD PSC directed Pepco to start a dialogue with Maryland municipalities on options for municipal street light ownership. This past fall & winter; there were five separate meetings hosted by Pepco of about 3 hours each. Pepco presented their very one-sided positions over and over. The municipalities kept expressing their concerns but Pepco never adjusted their positions.

Going forward, this March a smaller group of decision makers from both Pepco and the interested municipalities will be meeting to try to get closer on some agreements on the process of municipal street light ownership. The MD PSC is expecting filing(s) from this smaller group by April 7, 2023.

We were told that MD PSC would be making certain determinations after the filing(s) but the MD PSC doesn't have the authority to resolve disputes over the value the street lights to be purchased, that can only be done through legislation. Also, doubt has been raised on to whether pole attachment fees fall under the jurisdiction of the MD-PSC. It is a complex issue.

In any case, HB459 is needed regardless of ongoing MD PSC proceedings and discussions between Pepco and municipalities.

[HB459](#) is enabling legislation designed to help municipalities obtain better street lighting service at lower cost. It clarifies the process for local governments to acquire utility-owned street lights and establishes fair rules for valuing the lights.

Not every Maryland municipality will want to own their own streetlights but being able to own and control them should be a viable option.

If a public regulated utility is not meeting the needs of its customers in terms of modern lighting technology, accurate billing, maintenance and other services, then it is time for regulatory action or legislation. We need your help.

Is HB459 perfect? No, but it is an important start to finally make the option of municipal street light ownership a reality. Please support the passage of HB459.

Thank you for your time and attention.

Virginia Quesada

Chair, Town of Washington Grove, Maryland Lighting Committee

Maryland Resident and Concerned Citizen