



February 28, 2023

112 West Street
Annapolis, MD 21401

Favorable with Amendments – Senate Bill 663- Investor-Owned Electric Companies - Clean Energy Homes Pilot Programs - Establishment (Maryland Resilient and Clean Energy Homes Act)

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) support *Senate Bill 663- Investor-Owned Electric Companies - Clean Energy Homes Pilot Programs - Establishment (Maryland Resilient and Clean Energy Homes Act)* with amendments. Senate Bill 663 would require investor-owned electric companies by January 1, 2024 to file applications with the Public Service Commission (PSC) for a pilot program to support beneficial electrification measures. The pilot program would include certain make-ready programs, rebate programs for on-site clean energy systems and clean energy generators, incentive programs for multi-family housing facilities, and programs for load management and electric grid support services.

Pepco and Delmarva Power are committed to protecting the environment and taking actions to mitigate climate change and are working to align our operations, grid investments, and customer product offerings and services with Maryland's climate change and clean energy goals. This legislation establishes investor-owned electric utilities as the aggregators of residential flexible load by requiring utilities to run load management programs. This legislation aligns with Pepco and Delmarva Power's strategy with respect to utilizing our expertise to provide make-ready work to help facilitate beneficial electrification.

However, Pepco and Delmarva Power have concerns with a few of the provisions in the bill. First, we are concerned with the language pertaining to meter collars and respectfully request additional consumer protections be incorporated in the bill regarding the authorization and standards for the installation of meter collars. Meter collar adapters are installed at the service point between a standard residential electric meter and the meter socket and are used mainly for the connection of distributed energy resources (DERs) to the grid. In order to ensure safety and grid reliability, we need to make certain there are strict standards, guidance and protections in place as to the type of meter collars being installed, how they are being installed, and the qualifications of the individuals installing them.

Finally, we have some concerns pertaining to cost recovery for program administration, the timeline for program implementation and participation, as well as some of the definitions outlined in this bill. We would appreciate the opportunity to continue to work with the bill sponsors to address specific provisions in the bill and request certain definitional changes.

Pepco and Delmarva Power recognize the benefits intentioned in Senate Bill 663 and if the Committee is inclined to pursue this legislation, we respectfully ask to continue conversations with the bill sponsors and stakeholders to address our concerns.

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