

Rafe R. Ellison  
6506 America Blvd, Unit 406  
Hyattsville, MD 20782

February 5, 2024

Deni Taveras  
MD State Delegate  
Delegate Taveras, District 47B  
6 Bladen Street, Room 206  
Annapolis, MD 21401

RE: HB518 Public Service Commission – Performance–Based Regulation – Study

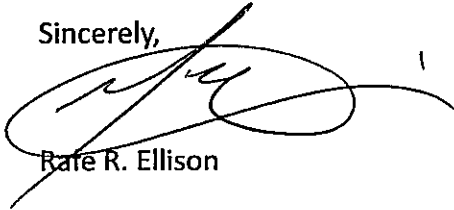
Dear Delegate Taveras:

I strongly support HB518, and I highly recommend that all efforts be taken to enact this important piece of legislation. As a real estate investor, operator and manager, I know first hand the importance of affordable and reliable utilities. Electricity and other utility costs account for material percentage of all real estate expenses, and the profitability of single-family rental, the financial status of condominium associations, and renters' and owners' qualify of life are often negatively impacted when utility perform poorly.

For those reasons, I believe the state should take all necessary measures to reduce electric utilities inefficiencies and have mechanisms in place to promptly improved performance. Performance-based rate making policies incentives utility companies to dedicate resource to maintain and improve their services by connecting reliability and efficiency to rates and revenue directly. Taking actions that impact revenue, and by extension profit, is the most effective way to improve utility company performance.

The first step in the process is to study the matter to create a performance-based rate making program that fits the State of Maryland is to pass this important legislation. I strongly hope it will be done this legislative session.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rafe R. Ellison', written over a horizontal line.

Rafe R. Ellison