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112 West Street Annapolis, MD 21401

OPPOSE – House Bill 101 State Highway Projects - Removal, Relocation, and Adjustment of Utility Facilities - Notification, Work Plans, and Compliance

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) respectfully oppose House Bill 101 State Highway Projects - Removal, Relocation, and Adjustment of Utility Facilities - Notification, Work Plans, and Compliance. House Bill 101 requires the State Highway Administration (SHA) to send owners or operators of utility facilities a notice regarding project plans requiring the removal, relocation or adjustment of utility facilities. An owner or operator of utility facility would then need to confirm receipt of the letter from SHA and submit a work plan to SHA. If the owner or operator of the utility facility fails to submit a work plan by the date specified in the notice, the cost for the removal, relocation or adjustment will be borne by the owner or operator of the utility facility.

House Bill 101 places several impractical timelines on owners and operators of utility facilities and does not consider the practical implications and unique circumstances that may arise from each project request. Among other things, the size of a project, type of project request, permitting requirements, environmental compliance, and additional stakeholder involvement can all impact a project's timeline. For example, there are instances where other utilities are performing their relocation project in the same space or nearby space, and a utility owner or operator is unable to perform their work until the other work is completed. There are also circumstances where a work site is located in protected wetlands, requiring additional environmental engineering plans, permits, sediment control, replanting, prohibitions of heavy machinery, and environmental compliance, all which can delay a project. There are many scenarios in which a project may be delayed for reasons that are not caused by the owner or operator of a utility facility, yet that entity would still be responsible for meeting the timelines in the legislation and would be penalized financially by not meeting them. As written, there is no mechanism to allow for a utility to request additional time and not be penalized.

The potential for extremely high penalties is disproportionate to a minor infraction that may occur. For example, if the owner and operator of a facility is a day late submitting a work plan for a \$10 million relocation project, as written, that owner or operator of the facility would be responsible for the cost of relocation, even if the delay was not caused by them. Finally, the legislation does not have a process as to how SHA would determine liability to comport with principles of due process.

While we appreciate the bill sponsors intent for the legislation, Pepco and Delmarva Power respectfully request an unfavorable report on House Bill 101 as introduced. We look forward to continuing conversations with the bill sponsor and all stakeholders involved.

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