

Oppose  
Education, Energy, and the  
Environment  
3/28/2024

**House Bill 1420 - Cybersecurity - Office of People's Counsel, Public Service Companies, Public Service Commission, and Maryland Cybersecurity Council**

Baltimore Gas and Electric Company (BGE) opposes *House Bill 1420*. *House Bill 1420* as amended authorizes the Office of People's Counsel (OPC) to hire an expert with cybersecurity expertise to ensure utility compliance with cybersecurity minimum standards. It adds to the requirements for a third-party assessment of public service company critical software used in operational technology and information technology devices and requires public service companies submit to the Maryland Public Service Commission (Commission) a certification of the public service company's compliance with standards in the assessment. Also, *House Bill 1420* requires the Commission to include cyber resilience in its cybersecurity regulations.

BGE opposes *House Bill 1420* for several reasons. First, the legislation is inconsistent with the 2023 Critical Infrastructure Cybersecurity Act (House Bill 969).

The legislation conflicts with House Bill 969 that was enacted last year. House Bill 969 required regulated entities to conduct a third-party assessment and submit an evaluation of the public service companies' assessments to the Maryland Department of Information Technology ("DoIT") Office of Security Management and the Maryland Department of Emergency Management.

Since enacted, the Commission, in coordination with the DoIT, has been working with the Cybersecurity Reporting Work Group, a group established by the Commission to enact regulations as required by House Bill 969. These efforts are ongoing, and utilities are expected to submit third-party assessment certifications in July 2024. Further, the Commission notified stakeholders of a rulemaking session scheduled for March 27<sup>th</sup> in response to the comments filed earlier in the month by several parties including, the Staff of the Public Service Commission (Staff), the Office of People's Counsel, Members and Staff

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281



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## Position Statement

of the Maryland Cybersecurity Council, the Joint Utilities<sup>1</sup>, the American Gas Association (AGA), the Alliance for Digital Innovation, the Edison Electric Institute (EEI), and the Office of Senator Katie Fry Hester. The Commission should be allowed to continue on-going work. *House Bill 1420*, however, is duplicative of the Commission's current jurisdictional scope and is fiscally inefficient as well as overlaps current Commission led efforts.

Additionally, the legislation creates new definitions for "zero-trust", "critical software" and it expands other terms from House Bill 969. BGE supports aligning the definitions and standards with an existing cybersecurity framework (NIST-CSF). Furthermore, the definitions and standards should not be prescriptive to avoid introducing operational and security issues for non-federally regulated assets. A zero-trust cybersecurity approach should be defined as a public utility company's strategy to incorporate *zero-trust* concepts into its risk management program.

Lastly, there is a need to ensure that information about security and sensitive critical infrastructure operations be shared thoughtfully to maintain the chain of custody for that information from potential threat actors.

We strongly urge the General Assembly to reconsider legislation that creates overlapping regulatory obligations and to prioritize regulatory harmonization and fiscal responsibility.

For these reasons, BGE requests an unfavorable report on *House Bill 1420*.

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<sup>1</sup> The Joint Utilities are collectively Baltimore Gas and Electric Company, Chesapeake Utilities Corporation, Delmarva Power & Light Company, Potomac Edison Company, Potomac Electric Power Company, Southern Maryland Electric Cooperative, Choptank Electric Cooperative, Inc., Columbia Gas of Maryland, Inc. and Washington Gas Light Company

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