

OPPOSE
Environment and Transportation
2/13/2025

House Bill 626 - Real Estate Development and Highway Rights-of-Way - Installation of Broadband Micro Conduits and Microducts

Baltimore Gas and Electric Company (BGE) opposes *House Bill 626 - Real Estate Development and Highway Rights-of-Way - Installation of Broadband Micro Conduits and Microducts*. This bill mandates the installation of micro conduits in utility easements and for the new construction or major improvements of multi-tenant properties. It also requires that buried fiber optic cables in highway rights-of-way include conduit with at least seven microducts and that the Department of Transportation or local governments ensure broadband service providers have neutral and nondiscriminatory access to the conduit.

The goal of *House Bill 626* is to minimize disruption from road digging and reduce project costs. Typically, a broadband provider covers the cost of fiber and conduit needed to connect a multi-tenant environment to the internet. However, in 2021, Maryland passed legislation permitting joint trenching for road work. Section § 8-654 of the Maryland Transportation Article allows utilities to install conduit and/or fiber optic cable simultaneously when any utility opens the highway right-of-way. This requires utilities to notify other entities of planned excavation work, enabling coordinated and simultaneous work. This approach reduces road digging frequency, minimizes public disruption, and lowers overall project costs. Enacting *House Bill 626* could prematurely hinder the benefits of joint trenching before they are fully realized and undermine ongoing projects by providers utilizing joint trenching.

Further, BGE has concerns that extensive revisions are needed to implement *House Bill 626*. The legislation's broad scope does not clarify whether it applies to micro conduits installed on overhead wood distribution poles or targets underground construction. The legislation should focus narrowly on "underground micro conduits" because replacing pole infrastructure with new overhead micro conduits will require significant investment. Duct or conduit installation is the responsibility of the customer requesting new construction and relocation work, not the utility. Typically, the duct is turned over to the utility at commissioning. *House Bill 626* requires the utility to turn the duct or conduit over to the local government at commissioning. BGE urges that the installation of third-party duct/conduit remains the responsibility of the customer, consistent with current standards. Lastly, *House Bill 626* lacks clarity on who is responsible for owning, constructing, and maintaining the

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

micro conduits (or duct bank), both on private property and in public highways. BGE is concerned that broadband providers reserving space for future fiber will limit the electric and gas utility's ability to install. The provider installing the conduit or duct should have the right of first refusal for future growth or its services.

For these reasons, BGE urges an unfavorable Committee report respectfully.

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