



February 24, 2026

112 West Street
Annapolis, MD 21401

Oppose – House Bill 950 Public Utilities – Street Lighting Equipment - Acquisitions and Reporting (County and Municipal Street Lighting Investment Act)

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) oppose **House Bill 950 Public Utilities – Street Lighting Equipment - Acquisitions and Reporting (County and Municipal Street Lighting Investment Act)**. House Bill 950 clarifies the conditions under which a county or municipality may acquire street lighting equipment from an electric utility, by purchase or condemnation. The bill also provides that after such acquisition, the county or municipality may convert its street lighting service to a new, Customer-Owned Street Lighting Tariff; purchase electricity from a retail supplier; and contract with the electric utility for street lighting maintenance. Additionally, House Bill 950 authorizes certain disputes to be submitted to the Commission for resolution in accordance with existing complaint procedures.

Pepco has been, and will continue working diligently with interested municipalities on the process for the sale of Pepco owned overhead streetlighting equipment. As part of that work, Pepco and interested Municipalities have been involved in a regulatory proceeding at the Public Service Commission (PSC), docketed as Case No. 9703. That work has produced results.

On November 5, 2025, Pepco provided a clean and red-line copy of the Model Purchase Agreement and the Model License Attachment Agreement along with the relevant forms for the License Attachment Agreement in compliance with a Commission Order. The Municipalities had reviewed the edits and agreed that the edits were consistent with the Commission Orders and agreement between the parties. Among other issues, the Model Agreements provide for the sale of Pepco owned overhead streetlights using a negotiated Net Book Value calculation.

Despite good faith negotiations, Pepco and the Municipalities could not reach agreement on the disconnect switch issue. On November 7, 2025, the Municipalities filed a Petition to Revise the Model Agreements. This Petition requests the Commission to resolve whether the installation of a disconnect switch is appropriate. Comments on this issue will be filed on April 1, 2026, and currently a hearing is scheduled to take place in late April 2026. Pepco respectfully requests that we be able to continue to work with the municipalities and the Commission to resolve our differences as we believe are close to a resolution.

Pepco and Delmarva Power look forward to continuing to work with the bill sponsor to address any additional questions or concerns that may arise from this legislation.

Amber Perry | Anne Klase | Allyson Black-Woodson | Poetri Deal | **410 980 5347**

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