

# HOUSE BILL 376

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By: **Delegates Tarlau, Anderton, Carr, Fennell, Frush, Healey, Hettleman, Jalisi, Krimm, Lafferty, Lam, Pena–Melnik, Platt, S. Robinson, Shoemaker, Smith, A. Washington, and K. Young**

Introduced and read first time: February 6, 2015

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies – Vegetation Management – Local Law, Rule, or Regulation**

3 FOR the purpose of repealing a prohibition against a county or municipal corporation  
4 taking certain actions that interfere with, or materially increase costs of, compliance  
5 with certain vegetation management standards; and generally relating to vegetation  
6 management.

7 BY repealing and reenacting, without amendments,

8 Article – Public Utilities

9 Section 7–213(a), (c), and (d)

10 Annotated Code of Maryland

11 (2010 Replacement Volume and 2014 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Public Utilities

14 Section 7–213(e)

15 Annotated Code of Maryland

16 (2010 Replacement Volume and 2014 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – Public Utilities**

20 7–213.

21 (a) (1) In this section the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (2)   (i)   “Eligible reliability measure” means a replacement of or an  
2 improvement in existing infrastructure of an electric company that:

3                           1.    is made on or after June 1, 2014;

4                           2.    is designed to improve public safety or infrastructure  
5 reliability;

6                           3.    does not increase the revenue of an electric company by  
7 connecting an improvement directly to new customers; and

8                           4.    is not included in the current rate base of the electric  
9 company as determined in the electric company’s most recent base rate proceeding.

10                       (ii)   “Eligible reliability measure” includes vegetation management  
11 measures that are necessary to meet applicable service quality and reliability standards  
12 under this section.

13           (3)   “Fund” means the Electric Reliability Remediation Fund established  
14 under subsection (j) of this section.

15           (4)   “System–average interruption duration index” or “SAIDI” means the  
16 sum of the customer interruption hours divided by the total number of customers served.

17           (5)   “System–average interruption frequency index” or “SAIFI” means the  
18 sum of the number of customer interruptions divided by the total number of customers  
19 served.

20           (c)   This section does not apply to small rural electric cooperatives or municipal  
21 electric companies.

22           (d)   On or before July 1, 2012, the Commission shall adopt regulations that  
23 implement service quality and reliability standards relating to the delivery of electricity to  
24 retail customers by electric companies through their distribution systems, using:

25                       (1)   SAIFI;

26                       (2)   SAIDI; and

27                       (3)   any other performance measurement that the Commission determines  
28 to be reasonable.

29           (e)   (1)   The regulations adopted under subsection (d) of this section shall:

30                       (i)   include service quality and reliability standards, including  
31 standards relating to:

- 1 1. service interruption;
- 2 2. downed wire response;
- 3 3. customer communications;
- 4 4. vegetation management;
- 5 5. periodic equipment inspections;
- 6 6. annual reliability reporting; and
- 7 7. any other standards established by the Commission;

8 (ii) account for major outages caused by events outside the control of  
9 an electric company; and

10 (iii) for an electric company that fails to meet the applicable service  
11 quality and reliability standards, require the electric company to file a corrective action  
12 plan that details specific actions the company will take to meet the standards.

13 (2) The regulations adopted under subsection (d) of this section may  
14 include a separate reliability standard for each electric company in order to account for  
15 system reliability differentiating factors, including:

- 16 (i) system design;
- 17 (ii) existing infrastructure;
- 18 (iii) customer density; and
- 19 (iv) geography.

20 (3) In adopting the regulations required under subsection (d) of this  
21 section, the Commission shall:

22 (i) consider applicable standards of the Institute of Electrical and  
23 Electronics Engineers;

24 (ii) ensure that the service quality and reliability standards are  
25 cost-effective; and

26 (iii) with respect to standards relating to vegetation management,  
27 consider:

28 1. limitations on an electric company's right to access private  
29 property; and

