PUBLIC SERVICE COMMISSION OF MARYLAND

2019 ANNUAL REPORT

For the Calendar Year Ending December 31, 2019

Pursuant to Section 2-122 of the Public Utilities Article, *Annotated Code of Maryland*

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Table of Contents

I. MEMBERSHIP OF THE COMMISSION 1

II. OVERVIEW OF THE COMMISSION 2

A. General Work of the Commission 2

B. Maryland Public Service Commission Organization Chart – 12/31/2019 5

C. Commission Membership in Other Regulatory Organizations 6

1. Washington Metropolitan Area Transit Commission 6

2. Mid-Atlantic Distributed Resources Initiative 7

3. Organization of PJM States, Inc. 9

4. National Association of Regulatory Utility Commissioners 9

5. Mid-Atlantic Conference of Regulatory Utility Commissioners 10

6. Regional Greenhouse Gas Initiative 11

7. Eastern Interconnection States' Planning Council 16

III. SUPPLIER DIVERSITY ACTIVITIES 17

A. Public Conference: Supplier Diversity Memoranda of Understanding–PC16 17

IV. COMMISSION ENERGY-RELATED CASES AND ACTIVITIES 22

A. Energy Efficiency- and Demand Response-Related Cases 22

1. EmPOWER Maryland—Case No. 9494 22

B. Deployment of Advanced Meter Infrastructure/Smart Grid—Case Nos. 9207, 9208 and 9294 23

C. Electric Reliability-Related Cases 24

1. Review of Annual Performance Reports on Electric Service Reliability Filed Pursuant to COMAR 20.50.12.11—Case No. 9353 24

D. Renewable Energy Portfolio Standard 25

E. Rate Cases 27

1. Application of Maryland-American Water Company for Authority to Adjust its Existing Schedule of Tariffs and Rates—Case No. 9487 27

2. Application of Elkton Gas Company (formerly Pivotal Utility Holdings, Inc. d/b/a Elkton Gas) for Authority to Increase Rates and Charges—Case No. 9488 28

3. Application of the Potomac Edison Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9490 29

4. Application of Potomac Electric Power Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9602 29

5. Application of Washington Gas Light Company for Authority to Increase Its Existing Rates and Charges and to Revise Its Terms and Conditions for Gas Service—Case No. 9605 30

6. In the Matter of the Application of Columbia Gas of Maryland, Inc. for Authority to Increase Rates and Charges—Case No. 9609 31

7. Application of Baltimore Gas and Electric Company for Adjustments to its Electric and Gas Base Rates—Case No. 9610 32

8. Application of Delmarva Power & Light Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9630 33

F. Certificates of Public Convenience and Necessity Cases – Applications, Modifications, and Waivers 34

1. Application of Perennial Solar, LLC for a Certificate of Public Convenience and Necessity to Construct an 8.0 MW Solar Photovoltaic Generating Facility in Washington County, Maryland—Case No. 9408 34

2. Application of Dan’s Mountain Wind Force, LLC for a Certificate of Public Convenience and Necessity to Construct a 59.5 MW Wind Energy Generating Facility in Allegany County, Maryland—Case No. 9413 35

3. Application of Biggs Ford Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 15 MW Solar Photovoltaic Generating Facility in Frederick County, Maryland—Case No. 9439 35

4. Application of Casper Solar Center, LLC for a Certificate of Public Convenience and Necessity to Construct a 36.7 MW Solar Photovoltaic Generating Facility in Queen Anne’s County, Maryland—Case No. 9450.... 37

5. Application of Richfield Solar Energy, LLC for a Certificate of Public Convenience and Necessity to Construct a 50 MW Solar Photovoltaic Generating Facility in Dorchester County, Maryland—Case No. 9457 37

6. Application of MD Solar 2, LLC for a Certificate of Public Convenience and Necessity to Construct a 27.5 MW Solar Photovoltaic Generating Facility in Charles County, Maryland—Case No. 9463 38

7. Application of MD Solar 1, LLC for a Certificate of Public Convenience and Necessity to Construct a 32.5 MW Solar Photovoltaic Generating Facility in Charles County, Maryland—Case No. 9464 39

8. Application of Energy Ventures IPP, LLC for a Certificate of Public Convenience and Necessity to Construct a 10 MW Solar Photovoltaic

Generating Facility in Prince George's County, Maryland—Case No. 9469 40

9. Application of the Potomac Edison Company for a Certificate of Public Convenience and Necessity to Modify the Ringgold-Catoctin-Transmission Line in Frederick and Washington Counties, Maryland—Case No. 9470 41

10. In the Matter of the Application of Transource Maryland LLC for a Certificate of Public Convenience and Necessity to Construct Two New 230 kV Transmission Lines Associated with the Independence Energy Connection Project in Portions of Harford and Washington Counties, Maryland—Case No. 9471 42

11. Application of Cherrywood Solar I, LLC for a Certificate of Public Convenience and Necessity to Construct a 202 MW Solar Photovoltaic Generating Facility in Caroline County, Maryland—Case No. 9477 43

12. Application of CP Crane, LLC for a Certificate of Public Convenience and Necessity Authorizing the Modification of the Charles P. Crane Generating Station in Baltimore County, Maryland—Case No. 9482 44

13. Application of Citizens UB Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 9.9 MW Solar Photovoltaic Generating Facility in the Town of Union Bridge and Carroll County, Maryland—Case No. 9483 45

14. Application of Kieffer Funk, LLC for a Certificate of Public Convenience and Necessity to Construct an 11.8 MW Solar Photovoltaic Generating Facility in Washington County, Maryland—Case No. 9495 46

15. Application of Bluegrass Solar, LLC for a Certificate of Public Convenience and Necessity to Construct an 80 MW Solar Photovoltaic Generating Facility in Queen Anne's County, Maryland—Case No. 9496 46

16. Application of Morgnec Road Solar Center, LLC for a Certificate of Public Convenience and Necessity to Construct a 45 MW Solar Photovoltaic Generating Facility in Kent County, Maryland—Case No. 9499 47

17. Application of Baltimore Gas and Electric Company for a Certificate of Public Convenience and Necessity for the Key Crossing Reliability Initiative Transmission Line Project—Case No. 9600 48

18. Application of Spectrum Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 5.6 MW Solar Photovoltaic Generating Facility in Prince George's County, Maryland—Case No. 9608 48

19. In the Matter of the Application of Lightsource Renewable Energy Development, LLC for a Certificate of Public Convenience and Necessity

to Construct a 20 MW Solar Photovoltaic Generating Facility in St. Mary's County, Maryland—Case No. 9620 49

G. Standard Offer Service-, Restructuring-, and Energy Competition-Related Cases 50

1. Electric Competition Activity – Case No. 8738 50

a. Results of the Standard Offer Services Solicitations for Residential and Type I (Small Commercial) Customers—Case Nos. 9056 and 9064 52

2. Review of Standard Offer Service Administrative Charge—Delmarva Power & Light Company—Case No. 9226 and Potomac Electric Power Company—Case No. 9232 53

3. Petition of NRG Energy, Inc., Interstate Gas Supply, Inc., Just Energy Group, Inc., Direct Energy Services, LLC, and ENGIE Resources, LLC for Implementation of Supplier Consolidated Billing for Electricity and Natural Gas in Maryland—Case No. 9461 53

H. Merger-, Transfer-, and Franchise-Related Cases 54

1. Merger of AltaGas Ltd and WGL Holdings, Inc.—Case No. 9449 54

I. Other Matters 54

1. New Frontiers Telecommunications, Inc. v. Verizon Maryland LLC—Case No. 9452 54

2. William E. Lowry v. Baltimore Gas and Electric Company—Case No. 9489 55

3. Nkem Egede v. Southern Maryland Electric Cooperative—Case No. 9491 56

4. Donna Berry v. Baltimore Gas and Electric Company—Case No. 9497 57

5. William Steverson v. Potomac Electric Power Company—Case No. 9498 57

6. In the Matter of the Formal Complaint of Thomas Lee Lilly v. Delmarva Power and Light Company—Case No. 9606 58

7. In the Matter of the Formal Complaint of Carrie Crawford v. Viridian Energy PA, LLC—Case No. 9611 59

8. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. SmartEnergy Holdings, LLC d/b/a SmartEnergy—Case No. 9613 59

9. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. Direct Energy Services, LLC—Case No. 9614 60

10. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. U.S. Gas & Electric d/b/a Maryland Gas &

Electric and Energy Services Providers, Inc. d/b/a Maryland Gas & Electric—Case No. 9615 ... 61

11. In the Matter of the Formal Complaint of the Staff of the Public Service Commission v. Energy Services Providers Inc. d/b/a Maryland Gas & Electric and U.S. Gas and Electric d/b/a Maryland Gas and Electric—Case No. 9616 ... 62

12. In the Matter of the Complaint of the Staff of the Public Service Commission Against Smart One Energy, LLC—Case No. 9617 ... 62

13. In the Matter of the Alternative Rate Plans or Methodologies to Establish New Base Rates for an Electric Company or a Gas Company—Case No. 9618 ... 64

14. In the Matter of the Formal Complaint of Christine R. Gaynor Spottswood v. Potomac Electric Power Company—Case No. 9621 ... 64

15. In the Matter of the Formal Complaint of Hill Management Services, Inc. v. Agera Energy, LLC—Case No. 9623 ... 65

16. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. Atlantic Energy MD, LLC—Case No. 9624 ... 65

17. Formal Complaint of Gordon Brenne against the Washington Suburban Sanitary Commission—Case No. 9625 ... 66

J. Rulemakings and Regulations – New and Amended ... 67

1. RM56—Revisions to COMAR 20.62 - Community Solar Energy Generation Systems ... 67

2. RM65—Revisions to COMAR 20.31.01.02 and COMAR 20.31.03.06 – Terminations of Service ... 67

K. Public Conferences ... 68

1. PC44—In the Matter of Transforming Maryland's Electric Distribution Systems to Ensure That Electric Service is Customer-centered, Affordable, Reliable, and Environmentally Sustainable in Maryland. ... 68

V. COMMISSION TELECOMMUNICATIONS CASES AND ACTIVITIES ... 72

A. Cases ... 72

1. Tariffing Requirements for Competitive Local Exchange Telephone Companies with 20,000 or Fewer Subscribers—Case No. 9414 ... 72

B. Rulemakings ... 73

1. RM64—Revisions to COMAR 20.45.09.03 - Intrastate Switched Access Rates ... 73

VI. COMMISSION WATER/SEWER CASES ... 74

1. RM66—Regulations Governing Staff-Assisted Rate Cases for Certain Water and Sewage Disposal Companies—COMAR 20.70.09 and COMAR 20.75.08 ... 74

VII. COMMISSION PARTICIPATION OR INTERVENTIONS IN OTHER REGULATORY COMMISSION MATTERS ... 74

A. Delaware and Maryland State Commissions v. PJM (Artificial Island Complaint)—EL15-95 ... 75

B. Intra-PJM Extra High Voltage [500 kV and Above] Cost Allocation—FERC Docket EL05-121 ... 77

C. Electric Transmission Plant Abandonment Cost ... 77

D. Energy Storage and Distributed Energy Resource (DER) Participation in Wholesale Markets—FERC Docket No. RM16-23 ... 79

E. State Policies and Wholesale Capacity Markets—FERC Docket Nos. ER18-1314, EL16-149 and EL18-178 ... 80

F. Transource Market Efficiency Transmission Project— FERC Docket No. ER17-419 ... 83

G. Grid Reliability and Resilience Pricing—FERC Docket No. RM18-1 ... 84

H. Bulk Power System Resilience—FERC Docket No. AD18- 7 ... 85

I. BGE Transmission Rate Revisions—FERC Docket No. ER17-528; *Baltimore Gas and Electric Company v. FERC*, DC Circuit No. 18-1298 ... 85

J. New York Independent System Operator (NYISO)-PJM Interregional Agreements—FERC Docket No. EL18-54 ... 86

K. Variable Operations and Maintenance Costs—FERC Docket No. EL19-8 ... 86

VIII. PJM INTERCONNECTION, INC. – THE RELIABILITY PRICING MODEL 2022/2023 DELIVERY YEAR BASE RESIDUAL AUCTION RESULTS ... 87

IX. BROADENED OWNERSHIP ACT ... 88

X. REPORTS OF THE AGENCY'S DEPARTMENTS/DIVISIONS ... 91

A. Office of Executive Secretary *(Andrew S. Johnston, Executive Secretary)* ... 91

1. Administrative Division ... 92

2. Fiscal Division ... 93

3. Information Technology Division ... 94

B. Consumer Affairs Division *(Casey Brent, Director)* ... 95

C. Office of General Counsel *(H. Robert Erwin, General Counsel)* ... 96

1. *In the Matter of the Petition of Dan's Mountain Wind Force, LLC*, Circuit Court for Baltimore City—Case No. 24-C-17-003715) (PSC Case No. 9413) 97

2. *Board of County Commissioners of Washington County, Maryland v. Perennial Solar, LLC*, Court of Appeals of Maryland—COA-REG-0066-2018 97

3. *Petition for Judicial Review of Order No. 87891 and 87994 in the Matter of a Request by Baltimore Gas and Electric Company for Recovery of Standard Offer Service Related Cash Working Capital Revenue Requirement*, Circuit Court for Baltimore City—Case No. 24-C-12-00893 (PSC Case No. 9221) 98

4. *New Frontiers Telecommunications, Inc. v. Verizon*, Circuit Court for Washington County—Case No. C-21- CV-18-000617 (PSC Case No. 9452) 98

5. *In the Matter of Petition of the Maryland Office of People's Counsel*, Circuit Court for Baltimore City— Case No. 24-C-18-005476 (PSC Case No. 9455) 99

6. *In the Matter of Petition of the Maryland Office of People's Counsel*, Circuit Court for Baltimore City— Case No. 24-C-18-006881 (PSC Case No. 9480) 99

7. *In the Matter of Petition of Frederick County, Maryland*, Circuit Court for Baltimore City—Case No. 24-C- 18002189 (PSC Case No. 9429) 100

8. Consumer Complaint Decisions on Appeal 100

D. Office of the Executive Director (*Anthony Myers, Executive Director*) 102

1. Accounting Investigations Division (*Jamie Smith, Director*) 103

2. Electricity Division 104

3. Energy Analysis and Planning Division *(Daniel Hurley, Director)* 106

4. Engineering Division (*John Borkoski, Chief Engineer*) 107

5. Staff Counsel Division (*Leslie Romine, Staff Counsel*) 118

6. Telecommunications, Gas, and Water Division (*Juan Alvarado, Director*) 119

7. Transportation Division (*Christopher Koermer, Director*) 121

E. Public Utility Law Judge Division *(Ryan C. "Chuck" McLean, Chief Public Utility Law Judge)* 124

XI. RECEIPTS AND DISBURSEMENTS FY 2019 126

I. MEMBERSHIP OF THE COMMISSION

The Public Service Commission (Maryland PSC or Commission) consists of the Chairman and four Commissioners, each appointed by the Governor with the advice and consent of the Senate. The term of the Chairman and each of the Commissioners is five years, and those terms are staggered. All terms begin on July 1. As of December 31, 2019, the following persons were members of the Commission:

	Term Expires
Jason M. Stanek, Chairman	June 30, 2023
Michael T. Richard, Commissioner	June 30, 2020
Anthony J. O'Donnell, Commissioner	June 30, 2021
Odogwu Obi Linton, Commissioner	June 30, 2022
Mindy L. Herman, Commissioner	June 30, 2024

Anthony J. O'Donnell

Jason M. Stanek

Michael T. Richard

Odogwu Obi Linton

Mindy L. Herman

II. OVERVIEW OF THE COMMISSION

A. General Work of the Commission

In 1910, the Maryland General Assembly established the Commission to regulate public utilities and for-hire transportation companies doing business in Maryland. The categories of regulated public service companies and other regulated or licensed entities are listed below:

- electric utilities;
- gas utilities;
- combination gas and electric utilities;
- competitive electric suppliers;[1]
- competitive natural gas suppliers;[2]
- telecommunications companies;[3]
- water, and water and sewerage (privately-owned) companies;
- bay pilots;
- docking masters;
- passenger motor vehicle carriers (e.g., Transportation Network Companies, buses, limousines, sedans);
- railroad companies;[4]
- taxicabs operating in the City of Baltimore, Baltimore County, St. Mary's County, Cumberland, and Hagerstown;
- hazardous liquid pipelines;
- private toll bridges; and
- other public service companies.

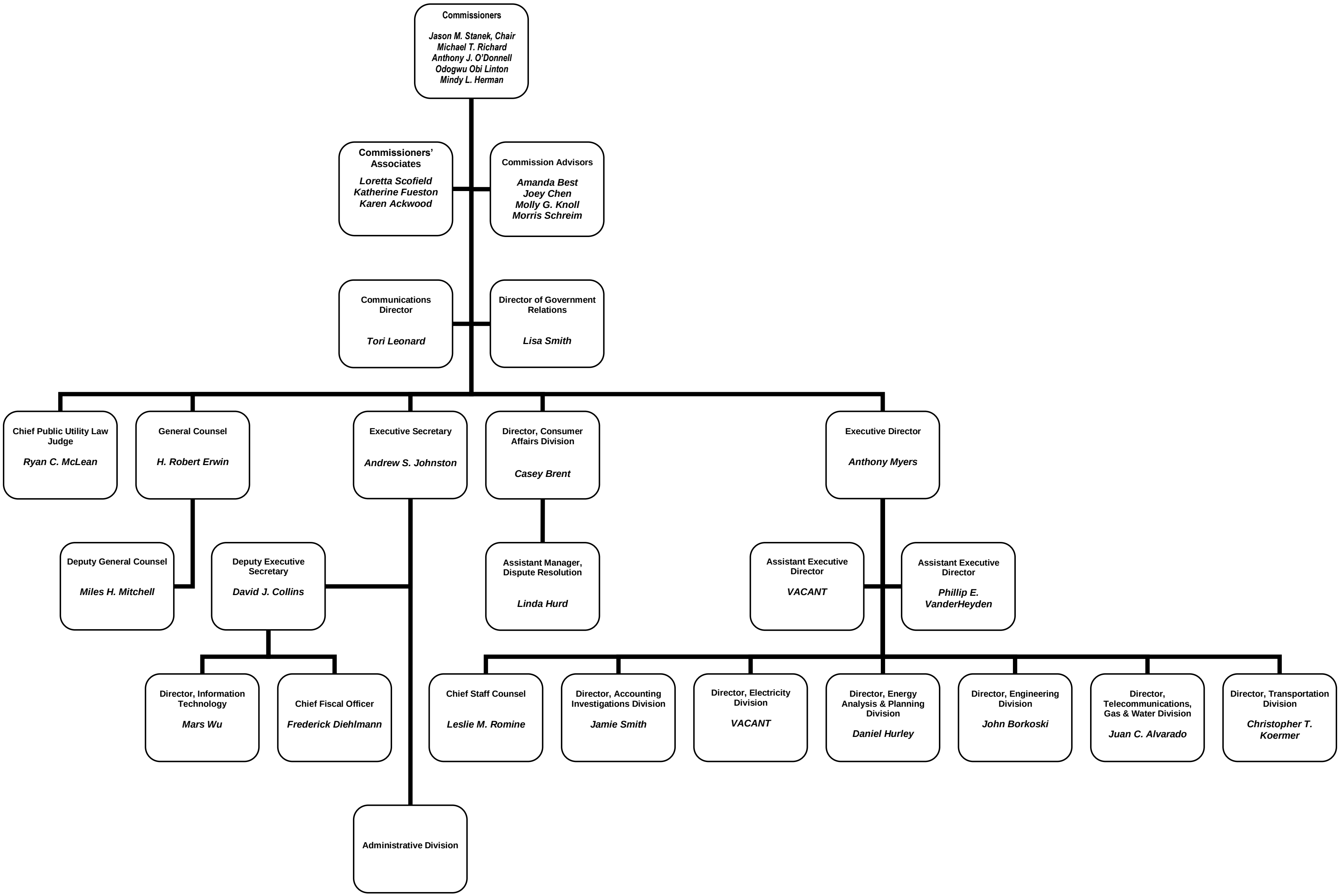
[1] The Commission licenses and investigates complaints against suppliers—it does not regulate pricing.
[2] The Commission licenses and investigates complaints against suppliers—it does not regulate pricing.
[3] Landline telephone service only.
[4] The Commission has limited jurisdiction over railroad companies: (1) the companies must be organized under Maryland law and (2) only over certain conditions and rates for intrastate services.

The jurisdiction and powers of the Commission are found in the Public Utilities Article (PUA), *Annotated Code of Maryland*. The Commission's jurisdiction, however, is limited to intrastate service. Interstate transportation is regulated in part by the U.S. Department of Transportation; interstate and wholesale activities of gas and electric utilities are regulated by the Federal Energy Regulatory Commission (FERC); and interstate telephone service, Voice over Internet Protocol and cable services are regulated by the Federal Communications Commission.

Under the PUA, the Commission has broad authority to supervise and regulate the activities of public service companies and for-hire carriers and drivers. It is empowered to hear and decide matters relating to, among others, (1) rate adjustments, (2) applications to exercise or abandon franchises, (3) applications to modify the type or scope of service, (4) approval of issuance of securities, (5) promulgation of new rules and regulations, (6) mergers or acquisitions of electric companies or gas companies, and (7) quality of utility and common carrier service. The Commission has the authority to issue a Certificate of Public Convenience and Necessity (CPCN) for the construction or modification of a new generating station, a qualified generator lead line, or an overhead transmission line designed to carry a voltage in excess of 69,000 volts. In addition, the Commission collects and maintains records and reports of public service companies, reviews plans for service, inspects equipment, audits financial records, handles consumer complaints, issues passenger-for-hire permits and drivers' licenses, enforces its rules and regulations, defends its decisions on appeal to State courts, and intervenes in relevant cases before federal regulatory commissions and federal courts.

During the calendar year 2019, the Commission initiated 31 new non-transportation–related dockets, conducted approximately 29 en banc hearings (legislative-style, evidentiary, or evening hearings for public comments as well as status conferences, discovery disputes, and prehearing conferences), held eight rulemaking sessions, participated in five public conferences, and presided over 43 administrative meetings. Also, the Commission actively participated in the 90-day General Assembly legislative session for 2019, by submitting comments on bills affecting public service companies, participating in work groups convened by Senate or House committees or sub-committees, and testifying before various Senate and House committees and sub-committees.

B. Maryland Public Service Commission Organization Chart – 12/31/2019



C. Commission Membership in Other Regulatory Organizations

1. Washington Metropolitan Area Transit Commission

The Washington Metropolitan Area Transit Commission (WMATC) was created in 1960 by the Washington Metropolitan Area Transit Regulation Compact[5] for the purpose of regulating certain transportation carriers on a coordinated regional basis. Today, WMATC regulates private sector passenger carriers, including sightseeing, tour, and charter bus operators; airport shuttle companies; wheelchair van operators; and some sedan and limousine operators, transporting passengers for hire between points in the Washington Metropolitan Area Transit District (Metropolitan District).[6] WMATC also sets interstate taxicab rates between signatories in the Metropolitan District, which for this purpose only includes Baltimore-Washington International Thurgood Marshall Airport (BWI) (except that this expansion of the Metropolitan District to include BWI does not apply to transportation conducted in a taxicab licensed by the State of Maryland

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[5] The Compact is an interstate agreement among the State of Maryland, the Commonwealth of Virginia and the District of Columbia, which was approved by Congress in 1960. The Compact was amended in its entirety in 1990 (at Maryland's behest), and again in 2010 (to modify the articles regarding appointment of Commissioners to WMATC). Each amendment was enacted with the concurrence of each of the signatories and Congress's consent. The Compact, as amended, and the WMATC are codified in Title 10, Subtitle 2 of the Transportation Article, *Annotated Code of Maryland*.

[6] The Metropolitan District includes the District of Columbia; the cities of Alexandria and Falls Church of the Commonwealth of Virginia; Arlington County and Fairfax County of the Commonwealth of Virginia, the political subdivisions located within those counties; that portion of Loudoun County, Virginia, occupied by the Washington Dulles International Airport; Montgomery County and Prince George's County in Maryland, and the political subdivisions located within those counties; and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of those counties, cities, and airports.

or a political subdivision of the State of Maryland or operated under a contract with the State of Maryland). A Commissioner from the Maryland Public Service Commission is designated to serve on the WMATC. In May 2016, Governor Larry Hogan appointed **Commissioner Richard** to serve on the WMATC.

In fiscal year (FY) 2019, which is from July 1, 2018 through June 30, 2019, the WMATC accepted 207 applications to obtain, transfer, amend or terminate a WMATC certificate of authority (down from 267 in FY2018). The WMATC also initiated 163 formal investigations of carrier compliance with WMATC rules and regulations. The WMATC issued 529 orders in 370 formal proceedings in FY2019, as compared to 634 orders in 439 formal proceedings in FY2018. There were 552 carriers holding a certificate of authority at the end of FY2019—down from 576 at the close of FY2018, which is still almost six times the 97 that held authority at the end of FY1990, before the Compact lowered barriers to entry beginning in 1991. The number of vehicles operated under WMATC authority was approximately 5,569 as of June 30, 2019. The WMATC processed nine informal complaints against carriers in FY2019, down from 10 in FY2018.

The Commission includes its share of the WMATC budget in its own budget. Budget allocations are based upon the population of the Compact signatories in the Compact region. In Maryland, this includes Montgomery and Prince George's counties, as noted above. The FY2019 WMATC budget was $942,000, of which Maryland's share was $438,218, or 46.5%.

2. Mid-Atlantic Distributed Resources Initiative

The Mid-Atlantic Distributed Resources Initiative (MADRI) was established in 2004 by the state regulatory utility commissions of Delaware, District of

Columbia, Maryland, New Jersey and Pennsylvania, along with the U.S. Department of Energy (DOE), the U.S. Environmental Protection Agency (EPA), FERC, and PJM Interconnection, LLC (PJM). In 2008, the regulatory utility commissions of Illinois and Ohio became members of MADRI.

MADRI maintained that distributed generation should be able to compete with generation and transmission to ensure grid reliability and a fully functioning wholesale electric market. It was established to facilitate the identification of barriers to the deployment of distributed generation, demand response and energy efficiency resources in the Mid-Atlantic region, and determine solutions to remedy these barriers. Institutional barriers and lack of market incentives have been identified as the primary causes that have slowed deployment of cost-effective distributed resources in the Mid-Atlantic.

On October 16, 2019, MADRI published a guide titled "Integrated Distribution Planning for Electric Utilities: Guidance for Public Utility Commissions." The guide includes options and issues for establishing and overseeing a formal Integrated Distribution Planning ("IDP") process, steps for developing an IDP, content of an IDP plan, challenges for development and implementation, and technical considerations for planners.

Facilitation support was provided by the Regulatory Assistance Project funded by DOE. The Commission participated along with other stakeholders, including utilities, FERC, service providers, and consumers, in discussions and actions of MADRI. **Commissioner Herman** served as the Commission's representative on MADRI. After more than 50 meetings, the MADRI Steering

Committee decided to “declare victory” and wind down the initiative. On December 3, 2019, MADRI held its final meeting in Washington, D.C.

3. Organization of PJM States, Inc.

The Organization of PJM States, Inc. (OPSI) was incorporated as a non-profit corporation in May 2005. It is an inter-governmental organization comprised of 14 utility regulatory agencies, including the Commission. OPSI, among other activities, coordinates data/issues analyses and policy formulation related to PJM, its operations, its Independent Market Monitor, and related FERC matters. While the 14 OPSI members interact as a regional body, their collective actions, as OPSI, do not infringe on each of the 14 agencies' individual roles as the statutory regulators within their respective state boundaries. **Commissioner Richard** serves as the Commission’s representative on the OPSI Board of Directors, and is currently its Treasurer, following the completion of his term as President in 2019.

4. National Association of Regulatory Utility Commissioners

The National Association of Regulatory Utility Commissioners (NARUC) is the national association representing the interests of the Commissioners from state utility regulatory agencies that regulate essential utility services, including energy, telecommunications, and water. NARUC members are responsible for assuring reliable utility service at fair, just, and reasonable rates. Founded in 1889, NARUC is an invaluable resource for its members and the regulatory community, providing a venue to set and influence public policy, share best practices, and foster innovative solutions to improve regulation. **Chairman Stanek** serves as a member of the Committee on Electricity and the Committee on International Relations. **Commissioner Richard** serves as a member of the Committee on Energy Resources and the Environment and the Committee on Critical Infrastructure. **Commissioner O'Donnell** is Chair of the Subcommittee on Nuclear Issues-Waste Disposal and a member of the Committee on Electricity. **Commissioner Linton** is Vice Chair of the Committee on Consumers and the Public Interest, is a member of the Committee on Gas, and the Subcommittee on Supplier and Workforce Diversity. **Commissioner Herman** is a member of the Committee on Critical Infrastructure and the Committee on Water.

NARUC partnered with the National Association of State Energy Officials (NASEO) to create a task force on comprehensive electricity planning. Maryland is one of 16 participating states. **Commissioner O'Donnell** serves as the PSC representative, and the Maryland Energy Administration (MEA) serves as the state energy office representative. This is a two-year process with the goal of developing ways to achieve more resiliency, efficiency and affordability in the distribution grid.

5. Mid-Atlantic Conference of Regulatory Utility Commissioners

The Commission also is a member of the Mid-Atlantic Conference of Regulatory Utility Commissioners (MACRUC), a regional division of NARUC comprised of the public utility commissions of Delaware, Kentucky, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, Pennsylvania, the District of Columbia, and the U.S. Virgin Islands. **Commissioner O'Donnell** serves as the Commission's representative on MACRUC and is its Second Vice President.

6. Regional Greenhouse Gas Initiative

Established in 2009, the Regional Greenhouse Gas Initiative (RGGI) is the first market-based regulatory program in the United States designed to stabilize and then reduce greenhouse gas emissions, specifically carbon dioxide (CO_2). RGGI, Inc.[7] is a nonprofit corporation formed to provide technical advisory and administrative services to participating states in the development and implementation of these CO_2 budget trading programs.[8] The original RGGI program, jointly designed by 10 Northeastern and Mid-Atlantic states,[9] envisioned a cap-and-trade program that stabilizes power plants' CO_2 emissions and then lowers that cap 10% by 2018. The participating states agreed to use an auction as the primary means to distribute allowances[10] to electric power plants regulated under coordinated state CO_2 cap-and-trade programs. All fossil fuel-fired electric power plants 25 megawatts or greater and connected to the electricity grid must obtain allowances based on their CO_2 emissions.

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[7] The RGGI, Inc. Board of Directors is composed of two representatives from each participating state, with equal representation from the states' environmental and energy regulatory agencies. Agency heads (two from each state), also serving as board members, constitute a steering committee that provides direction to the Staff Program Committee and allows in-process projects to be conditioned for Board review. **Chairman Stanek** and Secretary Ben Grumbles of the Maryland Department of the Environment serve on the RGGI Board on behalf of Maryland.

[8] The RGGI offices are located in New York City in space co-located with the New York Public Service Commission at 90 Church Street.

[9] Nine of the original 10 member states have continued their participation in the RGGI program for the third compliance period of January 1, 2015-December 31, 2017; In 2011, New Jersey formally withdrew from the RGGI program, effective January 1, 2012. In 2019, New Jersey adopted regulations to reinstate its participation in RGGI, effective January 1, 2020.

[10] An allowance is a limited permission to emit one short ton of CO_2.

The RGGI Memorandum of Understanding (RGGI MOU) apportions CO_2 allowances among signatory states through a process that was based on historical emissions and negotiation among the participating signatory states. Together, the emissions budgets of each signatory state comprise the total regional emissions budget, or RGGI "cap."

Following a 2012 RGGI Program Review (as called for in the RGGI MOU), on February 7, 2013, the RGGI participating states announced an aggregate 45% reduction in the existing cap.[11] Effective January 2014, the regional budget was revised to 91 million short tons—consistent with current regional emissions levels. To lock in the emissions reduction progress to date, and to further build upon this progress, the regional emissions cap and each participating state's individual emissions budget will decline 2.5% each year 2015 through 2020. Thus, the regional emissions budget decreased to 80.3 million short tons in 2019.

[11] In addition to announcing a revised regional cap, other programmatic changes included interim adjustments to the regional cap to account for privately banked allowances, the establishment of a cost containment reserve to serve as a flexibility mechanism in the unanticipated event of short-term price spikes, the addition of a U.S. Forests Offset Protocol; simplification of the minimum reserve price to increase it by 2.5% each year, and the creation of interim control periods for compliance entities.

Table II.C.1: 2019 Regional Emissions Budget[12]

State	CO2 Allowances (short tons)
Connecticut	5,191,324
Delaware	3,613,361
Maine	2,887,571
Maryland	17,931,922
Massachusetts	12,756,508
New Hampshire	4,184,333
New York	31,216,182
Rhode Island	2,005,354
Vermont	577,390
Total	**80,363,945**

In 2019, RGGI held four auctions of CO_2 allowances. These auctions raised approximately $54.34[13] million for the State's Strategic Energy Investment Fund. Pursuant to § 9-20B-05(g) of the State Government Article, *Annotated Code of Maryland*, the proceeds received by the fund from January 1, 2019 through December 31, 2019, were allocated as follows:

> (1) at least 50% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electric assistance programs in the Department of Human Services;
>
> (2) at least 20% shall be credited to a low and moderate income efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of

[12] *Source: The Regional Greenhouse Gas Initiative,* https://www.rggi.org/sites/default/files/Uploads/Allowance-Tracking/2019_Allowance-Distribution.pdf

[13] The calendar year 2019 auction proceeds represent a 19.6% increase compared to Maryland's 2018 auction proceeds of $45.4 million.

which at least one-half shall be targeted to the low and moderate income efficiency and conservation programs account for: (i) the low-income residential sector at no cost to the participants of the programs, projects, or activities; and (ii) the moderate-income residential sector;

(3) at least 20% shall be credited to a renewable and clean energy programs account for: (i) renewable and clean energy programs and initiatives; (ii) energy-related public education and outreach; and (iii) climate change and resiliency programs; and

(4) up to 10%, but not more than $5,000,000, shall be credited to an administrative expense account for costs related to the administration of the Fund, including the review of electric company plans for achieving electricity savings and demand reductions that the electric companies are required under law to submit to the [Maryland Energy] Administration.

During the last program review cycle, from 2016 through December 2017, the RGGI member states reviewed and considered stakeholder feedback on the program's successes and impacts to date, whether further reductions to the RGGI regional cap may be warranted, other program design elements (e.g. the cost containment reserve), and the extensive electric sector modeling conducted by the RGGI states for purposes of evaluating potential revisions to the program. The RGGI states reviewed more than 120 separate comments submitted by experts, policymakers, and organizations, as well as more than 29,000 personal comments and petition signatures pertaining to program review.

As a result of the collaborative review process, the RGGI states revised the program to include a regional cap of 75,147,784 tons of CO_2 in 2021, to decline by 2.275 million tons of CO_2 per year thereafter, resulting in a total 30% reduction in the regional cap from 2020 to 2030. Additionally, further adjustments to the RGGI cap to account for the full bank of excess allowances projected to exist at the end of 2020 will be effectuated through a formulaic adjustment and implemented over the period from 2021 to 2025. Under the current program, the size and trigger price of the cost containment reserve will change beginning in 2021 and increase by 7% per year thereafter. The RGGI states will also introduce an emissions containment reserve in 2021 wherein states will withhold allowances from circulation to secure additional emission reductions if prices fall below established trigger prices. In 2019, the RGGI states, including Maryland, undertook state-specific statutory and regulatory processes to propose updates to their CO_2 Budget Trading Programs, consistent with the announced Model Rule.

Also of consequence to the RGGI Program, the RGGI states have continued to work collaboratively with Virginia and New Jersey to develop regulations to facilitate their full participation in RGGI (or re-join in the case of New Jersey, which withdrew from RGGI in 2011). Despite regulations by the Virginia Department of Environmental Quality (DEQ) that aligned with the proposed improvements to the RGGI Program though 2030 and would have put Virginia on the path to participation beginning in 2020, language in Virginia's state budget effectively blocked the state from joining RGGI. However, Virginia's legislature shifted in November 2019, rekindling prospects that Virginia could participate in RGGI as early as 2021. In January 2018, New Jersey Governor Phil Murphy issued an executive order mandating the Department of Environmental Protection (DEP) and the Board of Public Utilities to begin the process of re-participation in RGGI by January 2020. In December 2018, New Jersey released its CO_2 Budget Trading Rule Proposal and its Global Warming Solutions Fund Rule Proposal. In June 2019, New Jersey finalized both rules. The Budget Trading Rule establishes the mechanism for New Jersey to participate in RGGI while the Global Warming Solutions Fund rule creates the framework for DEP to spend auction proceeds. New Jersey's re-participation in RGGI takes effect January 2020, after which the state will take part in the regional quarterly auctions, along with the other RGGI participating states.

In October 2019, Pennsylvania Governor Tom Wolf issued an executive order instructing the Pennsylvania Department of Environmental Protection (DEP) to join RGGI, pursuant to Pennsylvania's Air Pollution Control Act of 1960. If successful, Pennsylvania will be the first major fossil-fuel producing state to participate in RGGI. In January 2020, the RGGI states began working with Pennsylvania DEP to develop a draft rule for establishing a RGGI-qualified program.

7. Eastern Interconnection States' Planning Council

The Eastern Interconnection States' Planning Council (EISPC) is now a part of the National Council on Electricity Policy (NCEP). NCEP is a platform for all state-level electricity decision makers to share and learn from diverse perspectives on the evolving electricity sector. The Council membership includes over 200 representatives from public utility commissions, air and environmental regulatory agencies, governors' staffs and state energy offices, legislatures, and consumer advocates. NCEP is an affiliate of the NARUC Center for Partnerships and Innovation. The EISPC was a historic endeavor initially funded by the United

States Department of Energy pursuant to a provision of the American Recovery and Reinvestment Act. The goal of EISPC has been to encourage and support collaboration among states in the Eastern Interconnection on critical energy issues, including electric transmission, gas-electric infrastructure, resource diversity, and energy resiliency and reliability.

III. SUPPLIER DIVERSITY ACTIVITIES

A. Public Conference: Supplier Diversity Memoranda of Understanding–PC16

As noted in prior Annual Reports, 19 regulated entities[14] have entered into a Memoranda of Understanding (PC16 MOU) with the Commission in which each organization agreed voluntarily to develop, implement, and consistently report on its activities and accomplishments in promoting a strategy to support viable and prosperous women-owned, minority-owned and service-disabled-veteran-owned business enterprises (diverse suppliers). The PC16 MOU expressed each entity's commitment to use its best efforts to achieve a goal of 25% diverse supplier contracting (diverse spend); standardize the reporting methodology; and institute uniform annual plans and annual reports, in order to track the entity's compliance with the PC16 MOU goals. On July 9, 2019, a hearing was held at

[14] Association of Maryland Pilots; AT&T Corp.; Baltimore Gas and Electric Company; Chesapeake Utilities Corporation – Maryland Division; Choptank Electric Cooperative, Inc.; Columbia Gas of Maryland, Inc.; Comcast Phone of Northern Maryland Inc. and Comcast Business Communications, LLC; Delmarva Power & Light Company; Easton Utilities; First Transit's Baltimore Washington International Thurgood Marshall Airport Shuttle Bus Contract; Elkton Gas Company; Potomac Electric Power Company; Southern Maryland Electric Cooperative, Inc.; The Potomac Edison Company; Veolia Transportation Services, Inc.; Verizon Maryland LLC.; and Washington Gas Light Company (collectively, Signatories).

the Reginald F. Lewis Museum of Maryland African American History and Culture in Baltimore to consider the results of the 2018 Annual Reports submitted by 16 of the applicable companies.

Diverse spend averaged more than $820 million over the past three reporting years while total utility procurement averaged $3.32 billion over the same period. Total utility procurement has doubled since 2009, while diverse procurement has almost quadrupled. The average annual growth in diverse spend over the period 2016-2018 is 13.7%. Diverse spend overall increased from $817.21 million in 2017 to $944.53 million in 2018, an increase of $127.32 million. The total diverse spend consists of four different categories: minority-owned enterprises (MOE), women-owned enterprises (WOE), service-disabled-veteran-owned enterprises (SDVOE), and not-for-profit workshops (NFPW). MOE received $508.54 million, WOE received $388.05 million, SDVOE received $47.93 million, and NFPW received $2,800.

The category MOE contains four major subgroups: African-American-owned businesses, American-Indian/Native-American-owned businesses, Asian-owned businesses, and Hispanic-owned businesses. Fifteen of the 16 signatories that provided reports for 2018 broke down their MOE spends by ethnicity; African-American-owned businesses accounted for 38.5% of the total MOE spend.

On September 5, 2019, the Commission filed a Public Determination as required in COMAR 20.08.01.05. The Commission noted that, for the first time since the inception of the Supplier Diversity MOU 25 years ago, the companies participating in this voluntary program met and exceeded the 25 percent goal. The Commission, regrettably, terminated the Supplier Diversity MOUs of First Transit BWI Airport and Veolia Transit since those companies did not file annual reports for two or more consecutive years. The Commission acknowledged the filing of a 2018 annual report by CenturyLink—its first since 2015. In 2017, the participating utilities, through the Utility Forum, proposed two changes to the Commission's Supplier Diversity Program: (1) implementing amendments to the MOUs to include Tier II indirect spend, and (2) expanding the diverse spend categories to include veteran and LGBT-owned firms. In the 2017 public determination, the Commission declined to adopt the proposed changes due to the lack of data and the inability of some companies to collect data. At the hearing held in July 2019, the Commission was pleased to note that nine companies reported over $80 million in diverse spend in these two categories. In its public determination, the Commission modified the program to include Tier II indirect spend and expanded the diverse spend categories to include veteran-owned and LGBT-owned firms. The Commission will review the 2019 annual reports and revisit the spend goals. The Commission also requested that the Maryland Utility Forum be expanded to include additional utilities and other interested parties. On January 24, 2020, the Commission retired the PC 16 docket and designated a new docket number (PC 52) for this proceeding. The 2020 hearing on the 2019 annual reports will take place on July 28, 2020 at the Baltimore City Community College.

Table 1 - Achieved - 2018

Table 1 shows the program expenditures as reported by the companies and the percentage of spend as compared to each utility's total spend. Certain types of expenses are excluded from the tabulation, being either single-sourced or are inapplicable to the diversity program.[15]

Table 1 – Achieved - 2018		
Companies	**Total diverse supplier procurement ($)**	**Percentage of diverse supplier procurement to total company procurement**
Association of MD Pilots	$402,000	**38.94%**
AT&T	$19,690,000	**28.28%**
BGE	326,250,000	**34.76%**
CenturyLink	$3,850,000	22.64%
Chesapeake Utilities	$1,480,000	13.08%
Choptank	$2,650,000	10.34%
Columbia Gas	$1,590,000	7.99%
Comcast	$95,530,000	**25.85%**
Delmarva	$90,530,000	21.58%
Easton Utilities	$218,600	6.63%
Elkton Gas	$112,000	7.56%
Potomac Edison	$15,940,000	**25.96%**
Pepco	$163,470,000	**28.72%**
SMECO	$13,590,000	16.83%
Verizon Maryland	$70,730,000	16.0%
WGL	$138,430,000	**25.1%**
Total	**$944,530,000**[16]	**26.37%**

[15] Sources of exempted spend are agreed to in advance and can be found in the respective entity's PC16 MOU.

[16] Due to rounding, some totals may not correspond with the sum of the separate figures.

Table 2 - Procurement by Diverse Group

In Table 2, the amounts and percentages from Table 1 are further broken down into percentage of the expenditures by diversity classification.

Table 2 – 2018 Procurement by Diverse Group				
Companies	**Minority-Owned**	**Women-Owned**	**Service-Disabled Veteran-Owned**	**Not-for-Profit Workshops**
Association of MD Pilots	31.9%	68.1%	0.00%	0.00%
AT&T	70.16%	27.1%	2.7%	0.00%
BGE	44.57%	53.59%	1.84%	0.00%
CenturyLink	87.42%	3.07%	9.51%	0.00%
Chesapeake Utilities	Not reported	97.79%	N/R	N/R
Choptank	8.54%	91.46%	0.00%	0.00%
Columbia Gas	46.52%%	53.48%	0.00%	0.00%
Comcast	52.96%	44.14%	N/R	N/R
Delmarva	49.16%	48.54%	2.3%	0.00%
Easton Utilities	4.53%	50.66%	44.8%	0.00%
Elkton Gas	20.66%	79.34%	0.00%	0.00%
Potomac Edison	39.79%	60.13%	0.09%	0.00%
Pepco	71.08%	27.7%	1.21%	0.00%
SMECO	63.45%	28.23%	8.32%	0.00%
Verizon	48.2%	7.85%	43.95%	0.00%
WGL	60.97%	37.7%	1.33%	0.00%

IV. COMMISSION ENERGY-RELATED CASES AND ACTIVITIES

A. Energy Efficiency- and Demand Response-Related Cases

1. EmPOWER Maryland—Case No. 9494

Under Public Utilities Article § 7-211, as amended and mandated by the EmPOWER Maryland Energy Efficiency Act of 2008, the five largest electric utilities in the state[17] were responsible for achieving a 10% reduction in the State's energy consumption and a 15% reduction of peak demand by 2015. In 2017, the Article was amended to set electricity usage targets for the 2018-2020 and the 2021-2023 EmPOWER Maryland program cycles of 2% per year calculated as a percentage of each utility's 2016 weather-normalized gross retail sales and electricity losses.

The EmPOWER Maryland programs achieved, on a program-to-date basis, the following results through the end of 2019:

- The EmPOWER MD utilities' programs have saved a total of 10,600,569 MWh and 2,530 MW, and either encouraged the purchase of or installed approximately 115.9 million energy-efficient measures.
- More than 39,557 low-income customers participated in the EmPOWER Limited Income Programs.
- The EmPOWER MD utilities have spent over $2.9 billion on the EmPOWER Maryland programs, including approximately $2.1

[17] The utilities are The Potomac Edison Company (PE), Baltimore Gas and Electric Company (BGE), Delmarva Power & Light Company (DPL), Potomac Electric Power Company (Pepco), and Southern Maryland Electric Cooperative, Inc. (SMECO).

billion on energy efficiency and conservation (EE&C) programs and $814 million on demand response (DR) programs.

- The expected savings associated with EmPOWER Maryland programs is approximately $10.4 billion over the life of the installed measures for the EE&C programs.

- The average monthly residential bill impact of EmPOWER Maryland surcharges[18] for 2019 were as follows:

	EE&C	DR	Dynamic Pricing[19]	Total
BGE	$3.91	$3.22	$0.23	$7.36
DPL	$3.71	$1.21	-$0.79	$4.13
PE	$5.82	N/A	N/A	$5.82
Pepco	$4.29	$2.96	$0.21	$7.46
SMECO	$4.90	$2.08	N/A	$6.98

- Washington Gas & Light Company has saved a total of 3,384,847 therms through its programs since beginning in 2015.

B. Deployment of Advanced Meter Infrastructure/Smart Grid—Case Nos. 9207, 9208 and 9294

The Commission approved Smart Grid Initiatives for BGE (Case No. 9208) in 2010, Pepco (Case No. 9207) in 2010, DPL (Case No. 9207) in 2012, and SMECO (Case No. 9294) in 2013. As of September 30, 2018, approximately 2.9 million electric and gas meters (aka "smart meters") have been installed across the state. BGE has installed over 1.9 million electric meters and gas modules, and has completed its initial deployment of smart meters. BGE continues to work

[18] Assumes an average monthly usage of 1,000 kilowatt hours (kWh), and the figures do not include customer savings.

[19] BGE, Pepco, and DPL offered a Peak Time Rebate program in the summer of 2017 for residential customers with activated smart meters. The difference between rebates paid to participants and revenues received from PJM markets are trued-up in the EmPOWER Maryland surcharge.

to install meters in hard to access locations in an effort to reduce the current level of opt-out customers. In 2019, the percentage of opt-out customers dropped from 3.3% to 2.9%; the goal is to lower the opt-out percentage to 1.0%. Pepco and DPL have finished deploying smart meters with the final totals for each company being 560,851 and 211,115 smart meters, respectively. Pepco and DPL have less than 1.0% of their customers categorized as opt-out (0.25% and 0.56%, respectively). SMECO completed its deployment of smart meters in 2018 and has an opt-out percentage of 0.23%.

C. Electric Reliability-Related Cases

1. Review of Annual Performance Reports on Electric Service Reliability Filed Pursuant to COMAR 20.50.12.11—Case No. 9353

In May 2014, the Commission initiated the docket, Case No. 9353, to conduct its required annual review of the service quality and reliability performance reports filed by the applicable electric companies by April 1 of each year. Reports were filed on or about April 1, 2019, by each of the applicable electric companies, and comments on the reports were due by June 6, 2019.

On June 20, 2019, the Commission held a legislative-style hearing for the purpose of reviewing the April 2019 reports and to determine whether the electric companies each met the applicable COMAR service quality and reliability standards. On September 6, 2019, the Commission issued Order No. 89260, in which it accepted the service quality and reliability annual reports filed by BGE, Pepco, Delmarva, Potomac Edison, Choptank, and SMECO. Additionally, the Commission noted BGE's Corrective Action Plan.

In the order, the Commission: directed Choptank to begin separately tracking outages that can be attributed to its overhead transformer replacement program going forward; directed Staff to convene a Customer Communication Workgroup and file a recommended timeline for returning to the Commission with recommendations; disbanded the Poorest Performing Feeder and Vegetation Management workgroups; and assessed BGE a civil penalty of $210,000 due to BGE's noncompliance with regulation-based inspection schedules.

D. Renewable Energy Portfolio Standard

In compliance with the Maryland Offshore Wind Energy Act of 2013, in 2017, the Commission conditionally approved the financing of two offshore wind projects in Case No. 9431. According to COMAR 20.61.06, the projects will be funded with offshore wind renewable energy credits (ORECs). U.S. Wind Inc. plans to construct 248 MW approximately 14 miles off the coast of Ocean City, Maryland. The commercial operation date for U.S. Wind has been extended from 2021 to 2024. Skipjack Offshore Energy, LLC plans to construct 120 MW off the coast of Delaware with an expected commercial operation date in 2022. Both companies are required to maintain offshore lease sites through the federal Bureau of Ocean Energy Management. Both projects expect to now use larger turbines up to 12 MWs. In 2019, Case No. 9431 was bifurcated into Case No. 9628 for U.S. Wind and Case No. 9629 for Skipjack. On December 13, 2019, the Commission established an inquiry to consider the potential impacts of the larger turbines and held a public hearing on January 18, 2020 in Ocean City. In February 2020, the Commission issued notices of intent to hold evidentiary hearings to consider turbine size impacts and directed each developer to propose dates for the hearing. These matters remain pending.

The Clean Energy Jobs Act of 2019 expanded the requirements for offshore wind energy under Maryland's Renewable Portfolio Standard (RPS) program. The law requires the Commission to establish a second round of review for offshore wind applications or "Round 2".[20] Application periods will be open beginning January 1 of each year for three years beginning in 2020 and ending in 2022. The Commission is required to approve at least 400 MW of new projects in each application period for a total of at least 1,200 MW.[21] The maximum rate impacts for Round 2 applications are $0.88/month for residential customers and 0.9 percent of the total annual electric bills for nonresidential customers. The location of eligible projects was expanded to between 10 and 80 miles off the coast of Maryland. On October 18, 2019, the Commission issued an RFP for assistance with studies on the potential need for transmission upgrades and associated costs with offshore wind projects and for the evaluation of applications for Round 2. The closing date was December 5, 2019. Staff issued an RFP for support writing regulations in compliance with the Clean Energy Jobs Act of 2019 on January 9, 2020. The closing date was February 27, 2020.

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[20] The original review of offshore wind applications is now classified as "Round 1".

[21] If too few applications are submitted or the applications submitted exceed the maximum customer impacts allowed by the law, then the Commission is not required to meet the 400 MW minimum approval capacity.

E. Rate Cases

1. Application of Maryland-American Water Company for Authority to Adjust its Existing Schedule of Tariffs and Rates—Case No. 9487

On June 28, 2018, Maryland-American Water Company filed an application to adjust its existing schedule of tariffs and rates for water service. The requested increase in operating revenues of $1,837,668 was due in large part to utility plant additions for the construction of the new Bel Air Impoundment. On June 29, 2018, by Order No. 88760, the Commission initiated a new docket, Case No. 9487, to consider the application and suspended the proposed tariff revisions. A public comment hearing was held on October 22, 2018 in Bel Air, Maryland. On October 18, 2018, the Office of People's Counsel notified the Commission that the parties had reached a settlement in principle. On October 25, 2018, the Town of Bel Air withdrew as a party. On October 26, 2018, at the request of Maryland-American Water Company, the Commission suspended the proposed tariff revisions for 180 days from August 27, 2018. On October 31, 2018, Warwick Apartments Associates Limited Partnership, Hickory Condo, LLC, Residential Real Estate Holdings, LLC, and Del Plaza Properties, LLC filed a joint petition to intervene that was subsequently joined by Hickory Hills Condominium Association, Inc. (collectively, the intervenors). On November 1, 2018, the applicant, Staff, and the Office of People's Counsel filed a Joint Petition for Adoption of Stipulation and Settlement. On November 8, 2018, the petition to intervene was granted. On November 19, 2018, a settlement hearing was held to consider the settlement and admit pre-filed testimony, and the intervenors presented testimony in opposition to the settlement. On January 17, 2019, a proposed order was issued approving the settlement agreement and authorizing the Maryland-American Water Company to increase its rates to recover $1,450,000 in additional revenues. On January 24, 2019, the applicant filed a request that the Commission amend ordering clauses 4 and 6 and footnote 62 of the proposed order. On February 5, 2019, the Commission issued Order No. 89022, amending ordering clauses 4 and 6 and footnote 62 of the proposed order with regards to the effective date, and except for those modifications, affirmed the remainder of the proposed order.

2. Application of Elkton Gas Company (formerly Pivotal Utility Holdings, Inc. d/b/a Elkton Gas) for Authority to Increase Rates and Charges—Case No. 9488

On June 29, 2018, Elkton Gas filed an application for an increase in its base rates for gas distribution service along with proposed tariff revisions. On July 3, 2018, by Order No. 88766, the Commission initiated a new docket, Case No. 9488, to consider the application, suspended the proposed tariff revisions, and delegated the matter to the Public Utility Law Judge Division. Public comment hearings were held on September 17, 2018 and October 29, 2018 in Elkton. The parties filed a joint motion for approval of a unanimous settlement on November 28, 2018. On December 11, 2018, a hearing was held to admit all pre-filed testimony, the settlement, and supporting testimony. On January 7, 2019, a proposed order was issued approving the settlement and authorizing Elkton to increase its rates to recover $90,507 in additional revenues. There was no appeal of the proposed order, and it became Order No. 89026.

3. Application of the Potomac Edison Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9490

On August 24, 2018—in its first rate case in 25 years—the Potomac Edison Company (PE) filed an application to increase its electric distribution rates by more than $19 million, and proposed an overall rate of return of 7.75%, including a return on equity of 10.8%. On August 29, 2018, the Commission docketed this proceeding as Case No. 9490, and suspended the company's proposed tariff revisions. On January 9, 2019, the Chairman designated a panel of three Commissioners (**Herman, Richard, and O'Donnell**) for the purpose of conducting the evidentiary hearings in this matter. A public comment hearing was held on January 15, 2019 in Cumberland (Allegany County). A second hearing that had been scheduled for January 17, 2019 in Frederick was cancelled due to inclement weather. Evidentiary hearings were conducted on January 22-28, 2019. On March 22, 2019, the Commission issued Order No. 89072 authorizing an increase in electric base rates of $6.2 million and set a return on equity of 9.65%. Potomac Edison was also directed to file a new depreciation study within 18 months of the date of the order in a Phase II proceeding.

4. Application of Potomac Electric Power Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9602

On January 15, 2019, the Potomac Electric Power Company (Pepco) filed an application to increase to its revenue by approximately $30 million, and proposed an overall rate of return of 8.18%, including a return on equity (ROE) of 10.3%. On January 16, 2019, the Commission initiated a new docket, Case No.

9602, to consider the application and suspended the proposed tariff revisions. Public comment hearings were held on May 6, 2019 in Prince George's County, and May 9, 2019 in Montgomery County. After evidentiary hearings were conducted on May 21-24, 2019, and the filing of briefs, on July 9, 2019, a proposed order was issued which authorized Pepco to increase its electric distribution rates by $10,289,000 and set an ROE of 9.6%. On July 19, 2019, Commission Staff appealed the proposed order and, on July 24, 2019, both OPC and Pepco filed replies. On August 12, 2019, the Commission issued Order No. 89227 affirming the proposed order.

5. Application of Washington Gas Light Company for Authority to Increase Its Existing Rates and Charges and to Revise Its Terms and Conditions for Gas Service—Case No. 9605

On April 22, 2019, Washington Gas Light Company (WGL) filed an application seeking authority for a $35.9 million increase in annual base rate revenues, authority to implement a safety response tracker for certain safety-related costs, and proposed an overall rate of return of 7.85%, including a return on common equity of 10.40%. On April 23, 2019, the Commission initiated a new docket, Case No. 9605, to consider the application and suspended the proposed tariff revisions. Public comment hearings were held in Montgomery County and Prince George's County on July 29, 2019 and August 6, 2019, respectively. On August 30, 2019, WGL submitted a non-unanimous settlement agreement (Montgomery and Prince George's counties were not signatories, but did not object, and the U.S. General Services Administration objected to the proposed percentage of the overall rate increase to WGL's Interruptible class) that would authorize WGL to increase its rates by $27 million and established an ROE of 9.7%. On September 30, 2019, a proposed order adopting the settlement, without modification, was issued. There was no appeal of the proposed order, and it became Order No. 89303.

6. In the Matter of the Application of Columbia Gas of Maryland, Inc. for Authority to Increase Rates and Charges—Case No. 9609

On May 22, 2019, Columbia filed an application for authority to increase its existing rates and charges for natural gas service. The company requested an annual base rate revenue increase of $3,650,235, an overall increase of approximately 7.34%. As part of the application, the company proposed a return on equity of 10.95% and sought recovery of additional environmental remediation costs. On May 23, 2019, by Order No. 89135, the Commission initiated a new docket, Case No. 9609, to consider the application, suspended the proposed tariff revisions, and delegated the matter to the Public Utility Law Judge Division. Public comment hearings were held in Cumberland and Hagerstown, Maryland on September 4 and 5, 2019, respectively. The evidentiary hearing was held September 19-20, 2019, and on November 5, 2019 a proposed order was issued which authorized a rate increase of $1,843,721, and authorized a return on equity of 9.60%. The Office of People's Counsel and Staff appealed the proposed order. On December 19, 2019, the Commission issued Order No. 89403 affirming the proposed order's findings related to rate case cost recovery and costs of the environmental remediation of the Cassidy Property, and reversing the proposed order's findings regarding the proper discount rate to calculate Columbia Gas' net salvage costs.

7. Application of Baltimore Gas and Electric Company for Adjustments to its Electric and Gas Base Rates—Case No. 9610

On May 24, 2019, the Baltimore Gas and Electric Company (BGE) filed an application to increase its electric base rate revenues by $81.1 million, which included $7.1 million of Electric Reliability Investment initiative revenues recovered through a charge on customer bills, and gas base rate revenues by $67.6 million, which included $8.7 million of Strategic Infrastructure Development and Enhancement (STRIDE) revenues recovered through a surcharge on customer bills. BGE also recommended a combined return on equity for both electric and gas utilities of 10.30%. On May 29, 2019, the Commission docketed this proceeding as Case No. 9610 and suspended the company's proposed tariff revisions. On September 17, 2019, the Chairman designated a panel of three Commissioners (**Linton, O'Donnell and Herman**) for the purpose of conducting the evidentiary hearings in this matter. Public comment hearings were held on September 19, 2019 in Towson (Baltimore County), October 16, 2019 at the Commission's offices in Baltimore City, and October 17, 2019 in Annapolis (Anne Arundel County). On October 24, 2019, BGE notified the Commission that the parties, with one exception, had reached an agreement in principle on a settlement that would resolve all but one issue. On October 24, 2019, the Commission suspended the procedural schedule. On October 25, 2019, BGE filed a settlement agreement resolving all issues among the parties except for one—the SOS Administrative Adjustment—that was contested by the Energy Supplier Coalition. On November 14, 2019, the Commission held an evidentiary hearing to address the remaining litigated issue and to consider the settlement. Following the evidentiary hearing and the filing of briefs, the Commission issued Order No. 89400 on December 17, 2019 approving the settlement and authorizing BGE to increase its electric base rates by $25 million and its gas base rates by $54 million and an authorized return on equity of 9.70% for the electric utility and 9.75% for the gas utility.

8. Application of Delmarva Power & Light Company for Adjustments to its Retail Rates for the Distribution of Electric Energy—Case No. 9630

On December 5, 2019, Delmarva Power & Light Company filed an application for authority to adjust its retail rates for the distribution of electric energy effective with services rendered on or after January 4, 2020. The request sought to increase the company's Maryland base distribution rates by $18,523,166, and included a requested authorization of a return on equity of 10.30%. On December 6, 2019, by Order No. 89384, the Commission initiated a new docket, Case No. 9630, to consider the application, suspended the proposed tariff revisions, and delegated the matter to the Public Utility Law Judge Division. A pre-hearing conference was held on January 6, 2020 and a procedural schedule was issued.

F. Certificates of Public Convenience and Necessity Cases – Applications, Modifications, and Waivers

1. Application of Perennial Solar, LLC for a Certificate of Public Convenience and Necessity to Construct an 8.0 MW Solar Photovoltaic Generating Facility in Washington County, Maryland—Case No. 9408

As noted in prior Annual Reports, the Commission initiated this docket to consider the application for a Certificate of Public Convenience and Necessity (CPCN) to construct an 8.0 MW solar photovoltaic generating station in Washington County, Maryland pursuant to Public Utilities Article § 7-207. On January 28, 2016, Perennial filed its direct testimony and exhibits in support of its application. A procedural schedule was established on March 16, 2016, which was subsequently suspended as the parties wished to wait until the Commission issued orders on two CPCN cases that involved the application of Maryland's Forest Conservation Act. The procedural schedule remained suspended as Washington County appealed to the Court of Special Appeals a June 20, 2016 order of the Circuit Court for Washington County, which found that the Commission's authority over CPCNs preempted local zoning laws. On November 15, 2018, the Court of Special Appeals published an order finding the Commission's siting authority pre-empts local zoning regulations and affirmed the Circuit Court's decision. On November 29, 2018, Washington County filed a Petition for Writ of Certiorari with the Maryland Court of Appeals. On July 15, 2019, the Maryland Court of Appeals issued an order affirming the Maryland Court of Special Appeals' decision. As of December 31, 2019, this matter remains pending and has been delegated by the Commission to the Public Utility

Law Judge Division. A procedural schedule has been adopted and evidentiary hearings are currently scheduled for July 2020.

2. Application of Dan's Mountain Wind Force, LLC for a Certificate of Public Convenience and Necessity to Construct a 59.5 MW Wind Energy Generating Facility in Allegany County, Maryland—Case No. 9413

As noted in the 2016 and 2017 Annual Reports, a proposed order was issued on January 25, 2017 denying the application. Dan's Mountain filed an appeal of the proposed order, which the Commission denied by Order No. 88260. On July 14, 2017, Dan's Mountain Wind Force filed a Petition for Judicial Review in the Circuit Court of Baltimore City. On October 22, 2019, the Circuit Court of Baltimore City affirmed the Commission's order. On January 14, 2020, Dan's Mountain Wind Force, LLC filed an application for a CPCN exemption to construct a 70 MW wind energy generation facility in Allegany County, Maryland. A decision on the exemption application remains pending. A public comment hearing before a Public Utility Law Judge was scheduled for March 19, 2020 at Frostburg State University. The matter is tentatively scheduled to be considered at the Commission's April 14, 2020 Administrative Meeting.

3. Application of Biggs Ford Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 15 MW Solar Photovoltaic Generating Facility in Frederick County, Maryland—Case No. 9439

As noted in the 2018 Annual Report, the Commission initiated this docket to consider the application for a CPCN to construct a 15 MW solar photovoltaic generating facility, and delegated the matter to the Public Utility Law Judge Division. Frederick County intervened and opposed the application based upon a newly-enacted zoning ordinance. The Maryland Department of Natural Resources Power Plant Research Program (PPRP) did not file an environmental review or proposed license conditions because the applicant, Biggs Ford, had not applied for a floating zone reclassification and the lack of a recommendation on the project by the County. Additionally, the County noted the project lacked necessary County approvals and was inconsistent with the County's Comprehensive Plan. After an evidentiary hearing on December 5, 2017, a proposed order was issued denying the CPCN application. On January 4, 2018, the applicant filed a notice of appeal, followed by a memorandum on appeal on January 16, 2018. On April 16, 2018, the Commission issued Order No. 88644, remanding this matter to the Public Utility Law Judge Division to provide the applicant an opportunity to seek a floating zone reclassification based upon Frederick County's recent zoning ordinance. The applicant filed a floating zone reclassification application and, on December 19, 2018, the Frederick County Planning Commission recommended the Frederick County Council deny the application. On February 19, 2019, the Frederick County Council denied the applicant's floating zone application. On May 6, 2019, a new procedural schedule was adopted. On September 11, 2019, PPRP recommended the CPCN be denied. Specifically, PPRP cited the site's value as an agricultural resource and its location within a Priority Preservation Area, the lack of consistency with the County's Comprehensive Plan, and local opposition. PPRP also did not file a project assessment report or proposed license conditions. On September 19, 2019, a second public comment hearing was held in Frederick, Maryland, and on

October 29, 2019, an evidentiary hearing was held. At the conclusion of the evidentiary hearing, the applicant and PPRP were both directed to provide additional information due to substantial changes to the project and the lack of a project assessment report or proposed license conditions. As of December 31, 2019, this matter remains pending.

4. Application of Casper Solar Center, LLC for a Certificate of Public Convenience and Necessity to Construct a 36.7 MW Solar Photovoltaic Generating Facility in Queen Anne's County, Maryland—Case No. 9450

As noted in the 2017 Annual Report, the Commission initiated Case No. 9450 to consider the application for a CPCN to construct a 36.7 MW solar photovoltaic generating facility, and delegated the proceedings to the Public Utility Law Judge Division on April 27, 2017. On November 29, 2017, the first public comment hearing was held in Church Hill, Maryland. On February 15, 2018, the procedural schedule was suspended to allow the applicant additional time to pursue a special exception through the County's Board of Zoning Appeals. The procedural schedule continued to be suspended, per the applicant's request, until June 2019. On June 14, 2019, Casper Solar Center filed a request to withdraw its application. That request was granted on June 19, 2019 and the docket was closed.

5. Application of Richfield Solar Energy, LLC for a Certificate of Public Convenience and Necessity to Construct a 50 MW Solar Photovoltaic Generating Facility in Dorchester County, Maryland—Case No. 9457

As noted in the 2018 Annual Report, the Commission initiated Case No. 9457 to consider the application for a CPCN to construct a 50 MW solar photovoltaic generating facility, and delegated the proceedings to the Public Utility Law Judge Division. Both PPRP and Staff filed direct testimony and recommended approving the CPCN subject to numerous licensing conditions. On January 9, 2018, the first public comment hearing was held in Hurlock, Maryland. On March 1, 2018, the procedural schedule was suspended to allow the applicant additional time to pursue a special exception from the County Board of Appeals. On May 21, 2018, a new procedural schedule was adopted, and on June 29, 2018, the applicant filed testimony and modified the project. On September 12, 2018 and November 5, 2018, public comment hearings were held in Hurlock, Maryland; an evidentiary hearing was held on December 13, 2018. PPRP and Staff recommended that the project be approved subject to numerous license conditions. On February 15, 2019, a proposed order was issued, granting the CPCN, subject to the license conditions proposed by PPRP and Staff. There was no appeal of the proposed order, and it became Order No. 89069 on March 19, 2019.

6. Application of MD Solar 2, LLC for a Certificate of Public Convenience and Necessity to Construct a 27.5 MW Solar Photovoltaic Generating Facility in Charles County, Maryland—Case No. 9463

As noted in the 2017 Annual Report, the Commission initiated Case No. 9463 to consider the application for a CPCN to construct a 27.5 MW solar photovoltaic generating facility and delegated the proceedings to the Public Utility Law Judge Division. On February 20, 2018 and May 30, 2018, public comment hearings were held in La Plata, Maryland. On June 14, 2018, an evidentiary hearing was held at which time the parties each indicated their agreement to and acceptance of the project and the specific licensing conditions recommended by both PPRP and Staff, with the exception of one of Staff's proposed license conditions. On June 20, 2018, at the request of the parties, further argument was heard from all parties on the condition at issue in combination with the evidentiary hearing in Case No. 9464 (MD Solar 1). On June 26, 2018, the applicant filed a letter consenting to a revised Staff license condition, thereby notifying the Commission that the parties had reached an agreement in full to the project and to the license conditions proposed by PPRP and Staff. On August 21, 2018, a proposed order was issued granting the CPCN subject to licensing conditions as recommended by PPRP and Staff. There was no appeal of the proposed order, and it became Order No. 88842 on September 21, 2018. On July 15, 2019, MD Solar 2, LLC submitted to the Maryland Department of the Environment (MDE) a social and economic assessment of the project, in response to a condition of the CPCN. On August 28, 2019, MDE notified the Commission of its determination that MD Solar 2's assessment did not satisfy the CPCN condition. After considering the matter at the October 2, 2019 Administrative Meeting, the Commission noted MDE's finding and also determined that MD Solar 2 had not satisfied the CPCN condition.

7. Application of MD Solar 1, LLC for a Certificate of Public Convenience and Necessity to Construct a 32.5 MW Solar Photovoltaic Generating Facility in Charles County, Maryland—Case No. 9464

As noted in the 2017 Annual Report, the Commission initiated Case No. 9464 to consider the application for a CPCN to construct a 32.5 MW solar photovoltaic generating facility and delegated the proceedings to the Public Utility

Law Judge Division. On March 20, 2018 and June 5, 2018, public comment hearings were held in La Plata, Maryland. On June 20, 2018, an evidentiary hearing was held in conjunction with Case No. 9463, at which time the parties each indicated their agreement to and acceptance of the project and the specific licensing conditions recommended by both PPRP and Staff, with the exception of one of Staff's proposed license conditions. On June 26, 2018, the applicant filed a letter consenting to a revised Staff license condition, thereby notifying the Commission that the parties had reached an agreement in full to the project and to the conditions proposed by PPRP and Staff. On August 21, 2018, a proposed order was issued granting the CPCN subject to licensing conditions as recommended by PPRP and Staff. There was no appeal of the proposed order, and it became Order No. 88841 on September 21, 2018. On October 18, 2018, MD Solar 1 applied to MDE for a Wetlands and Waterways permit. On August 28, 2019, MDE denied the application. After considering the matter at the October 2, 2019 Administrative Meeting, the Commission noted MDE's denial of the permit.

8. Application of Energy Ventures IPP, LLC for a Certificate of Public Convenience and Necessity to Construct a 10 MW Solar Photovoltaic Generating Facility in Prince George's County, Maryland—Case No. 9469

As noted in the 2017 Annual Report, the Commission initiated Case No. 9469 to consider the application for a CPCN to construct a 10 MW solar photovoltaic generating facility, and delegated the proceedings to the Public Utility Law Judge Division. On June 6, 2018, a public comment hearing was held in Brandywine, Maryland. On July 9, 2018, at the applicant's request, the procedural schedule was suspended to allow the applicant time to complete the interconnection process and comply with County regulations. The procedural schedule was suspended on July 9, 2018, and following repeated requests by the applicant, the procedural schedule remains suspended. A new procedural schedule is expected to be set on or before March 31, 2020.

9. Application of the Potomac Edison Company for a Certificate of Public Convenience and Necessity to Modify the Ringgold-Catoctin-Transmission Line in Frederick and Washington Counties, Maryland—Case No. 9470

On December 22, 2017, the Potomac Edison Company (PE) filed an application requesting a CPCN to rebuild the Ringgold-Catoctin Transmission Line in Frederick and Washington counties. On December 27, 2017, the Commission initiated a new docket, Case No. 9470, to consider the application and delegated the matter to the Public Utility Law Judge Division. On October 30, 2018, and November 1, 2018, public comment hearings were held in Hagerstown, Maryland, and Thurmont, Maryland, respectively. An evidentiary hearing was held on November 7, 2018, in which the stipulated pre-filed testimony and exhibits of all parties' witnesses were entered into the record. On December 14, 2018, a proposed order was issued granting the requested CPCN, subject to the licensing conditions recommended by PPRP and Staff. On January 10, 2019, PE filed a request for clarification, or in the alternative, a Notice of Appeal, and both the Office of People's Counsel and Commission Staff filed reply memorandums. On February 15, 2019, the Commission issued Order No. 89035, slightly modifying a Staff condition clarifying the CPCN was contingent upon the approval of a CPCN in Case No. 9471 (Transource), and affirming the proposed order.

10. In the Matter of the Application of Transource Maryland LLC for a Certificate of Public Convenience and Necessity to Construct Two New 230 kV Transmission Lines Associated with the Independence Energy Connection Project in Portions of Harford and Washington Counties, Maryland—Case No. 9471

As noted in the 2018 Annual Report, on December 27, 2017, Transource Maryland, LLC filed an application requesting a CPCN to construct two new 230 kilovolt (kV) transmission lines associated with the Independence Energy Connection (IEC) Project in portions of Harford and Washington counties. A pre-hearing conference adopting a procedural schedule was held on February 16, 2018. On July 13, 2018, PPRP submitted its completeness review of the application, in which it concluded the application was not complete and requested to submit a modified procedural schedule in the matter, which the Commission granted on September 26, 2018. On December 20, 2018, PPRP filed a motion to dismiss the application, asserting that Transource did not identify, or provide analysis of, specific existing electric transmission lines as an alternative to building the new transmission line. The motion was denied. On February 8, 2019, the Commission granted PPRP's request to further modify the procedural schedule. Public comment hearings were held on April 27, 2019 in Pylesville (Harford County), Maryland and May 18, 2019 in Smithsburg (Washington County), Maryland. Evidentiary hearings were held June 3-6 and 10-11. On June 21, 2019, Transource and PPRP jointly filed a motion to temporarily suspend the procedural schedule for 60 days to engage in settlement discussions; the Commission granted the motion on June 27, 2019. On August 27, 2019, the Commission further extended the suspension of the schedule at the request of Transource. On October 17, 2019, Transource filed a petition for adoption of a settlement agreement with PPRP, Staff, BGE, Harford County, STOP Transource Power Lines, MD and certain other intervenors for the IEC-East portion of the project (in Harford County). A public comment hearing on the settlement was held on December 14, 2019 in Pylesville (Harford County), Maryland. Evidentiary hearings on the settlement agreement were held February 3-4, 2020. This matter remains pending.

11. Application of Cherrywood Solar I, LLC for a Certificate of Public Convenience and Necessity to Construct a 202 MW Solar Photovoltaic Generating Facility in Caroline County, Maryland—Case No. 9477

On January 23, 2018, Cherrywood Solar I, LLC filed an application for a CPCN to construct a 202 MW solar photovoltaic generating facility in Caroline County, Maryland. On January 24, 2018, the Commission initiated a new docket, Case No. 9477, to consider the application and delegated the matter to the Public Utility Law Judge Division. A procedural schedule was issued on March 12, 2018. On May 2, 2018 and December 17, 2018, public comment hearings were held in Greensboro, Maryland**.** An evidentiary hearing was held on January 15, 2019, at which time the parties indicated that they were in agreement with approval of the project as modified by the conditions proposed by PPRP and Staff. A proposed order was issued on March 15, 2019. There was no appeal of the proposed order and it became Order No. 89096 on April 16, 2019.

12. Application of CP Crane, LLC for a Certificate of Public Convenience and Necessity Authorizing the Modification of the Charles P. Crane Generating Station in Baltimore County, Maryland—Case No. 9482

On May 31, 2018, CP Crane, LLC filed an application for a CPCN authorizing a modification to its existing Charles P. Crane Generating Station in Baltimore County, Maryland, through permanently retiring its existing coal-fired units and installing and operating three combustion turbines fired primarily with natural gas. The Commission initiated a new docket, Case No. 9482, to consider the application and delegated the matter to the Public Utility Law Judge Division. On August 31, 2018, CP Crane, LLC filed an amended application. PPRP and the Air and Radiation Administration of the Maryland Department of the Environment reviewed the amended application and submitted their administrative completeness review on September 12, 2018, and deemed the amended application to be administratively complete.

A public comment hearing was held on April 1, 2019, followed by an evidentiary hearing on April 4, 2019. There were no contested issues between the parties/intervenor; the affected parties agreed to all recommended licensing conditions. On May 17, 2019, the Air and Radiation Administration filed responses to comments regarding air quality requirements.

On May 22, 2019, a proposed order was issued granting the CPCN, subject to final licensing conditions. On May 29, 2019, intervenor Blue Water Baltimore–Gunpowder Riverkeeper filed an appeal of the proposed order, to which Staff and OPC responded in opposition. On June 20, 2019, the Commission issued Order No. 89167 initiating further proceedings. On July 24, 2019, the Commission issued Order No. 89211 denying Blue Water Baltimore's appeal.

13. Application of Citizens UB Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 9.9 MW Solar Photovoltaic Generating Facility in the Town of Union Bridge and Carroll County, Maryland—Case No. 9483

On June 7, 2018, Citizens UB Solar, LLC filed an application for a CPCN to construct a 9.9 MW solar photovoltaic generating station in the Town of Union Bridge (Town) and Carroll County, Maryland. On June 8, 2018, the Commission initiated a new docket, Case No. 9483, to consider the application and delegated the proceedings to the Public Utility Law Judge Division. On July 12, 2018, a pre-hearing conference was held and a procedural schedule was agreed upon. A public comment hearing was held on October 18, 2018 in Union Bridge. The procedural schedule was suspended on December 21, 2018 to allow PPRP additional time to complete its review. On April 29, 2019, a new procedural schedule was issued, and both PPRP and Staff filed direct testimony and recommended approving the CPCN subject to numerous license conditions, but the Town filed testimony in opposition to the project. On August 19, 2019, a second public comment hearing was held in Union Bridge. On October 31, 2019, the applicant filed a settlement agreement it reached with the Town. On December 19, 2019, an evidentiary hearing was held and PPRP and Staff recommended the project be approved subject to numerous license conditions; however, Staff recommended that the Commission take no action on the settlement agreement between the applicant and the Town. A proposed order was issued February 13, 2020, granting the CPCN subject to the licensing conditions proposed by PPRP and Staff.

14. Application of Kieffer Funk, LLC for a Certificate of Public Convenience and Necessity to Construct an 11.8 MW Solar Photovoltaic Generating Facility in Washington County, Maryland—Case No. 9495

On November 13, 2018, Kieffer Funk, LLC filed an application for a CPCN to construct an 11.8 MW solar photovoltaic generating facility in Washington County, Maryland. On November 15, 2018, the Commission initiated a new docket, Case No. 9495, to consider the application and delegated the matter to the Public Utility Law Judge Division. A procedural schedule was issued on December 21, 2018. Public comment hearings were held on March 13, 2019 and July 10, 2019 in Washington County, Maryland. An evidentiary hearing was held on July 29, 2019, at which time the parties indicated that they were in agreement with the approval of the project as modified by the conditions proposed by PPRP and Staff. A proposed order was issued on October 15, 2019. There was no appeal of the proposed order and it became Order No. 89347 on November 14, 2019.

15. Application of Bluegrass Solar, LLC for a Certificate of Public Convenience and Necessity to Construct an 80 MW Solar Photovoltaic Generating Facility in Queen Anne's County, Maryland—Case No. 9496

On November 13, 2018, Bluegrass Solar, LLC filed an application for a CPCN to construct an 80 MW solar photovoltaic generating station in Queen Anne's County, Maryland. On November 15, 2018, the Commission issued a letter order initiating a new docket, Case No. 9496, to consider the application and delegated the proceedings to the Public Utility Law Judge Division. On December 14, 2018, a pre-hearing conference was held and a procedural schedule was agreed upon. Both PPRP and Staff filed direct testimony and recommended approving the CPCN subject to numerous licensing conditions. On May 1, 2019 and June 18, 2019, public comment hearings were held in Church Hill, Maryland. On July 9, 2019, an evidentiary hearing was held and the record was held open to allow the applicant time to submit the County zoning board's approval of the requested conditional use, which was submitted on September 4, 2019. On September 26, 2019, a proposed order was issued granting the CPCN, subject to the license conditions proposed by PPRP and Staff. There was no appeal of the proposed order, and it became Order No. 89326 on October 29, 2019.

16. Application of Morgnec Road Solar Center, LLC for a Certificate of Public Convenience and Necessity to Construct a 45 MW Solar Photovoltaic Generating Facility in Kent County, Maryland—Case No. 9499

On November 30, 2018, Morgnec Road Solar Center, LLC filed an application for a CPCN for authority to construct a 45 MW solar photovoltaic generating facility in Kent County, Maryland. On December 3, 2018, the Commission initiated a new docket, Case No. 9499, and delegated the matter to the Public Utility Law Judge Division. Petitions to intervene were filed by Keep Kent Scenic, Inc. d/b/a Kent Conservation and Preservation Alliance; the County Commissioners of Kent County; and the Mayor and Council of the Town of Chestertown, Maryland, which were granted. An initial public comment hearing was held on April 24, 2019. Direct testimony of parties/intervenors other than the applicant was filed in December 2019. A second public comment hearing and the evidentiary hearing are scheduled to be held in April 2020.

17. Application of Baltimore Gas and Electric Company for a Certificate of Public Convenience and Necessity for the Key Crossing Reliability Initiative Transmission Line Project—Case No. 9600

On December 21, 2018, Baltimore Gas and Electric Company (BGE) filed an application for a CPCN for authority to modify a portion of an existing 230 kV electric transmission line that runs between the Riverside Substation in Baltimore County, Maryland, and the Brandon Shores Substation in Anne Arundel County, Maryland. BGE proposes to replace the existing underground pipe-type cable along an approximate 2.25-mile stretch of the existing 230 kV electric transmission line between Hawkins Point and Sollers Point beneath the Patapsco River with overhead wire and eight support structures. On December 26, 2018, the Commission initiated a new docket, Case No. 9600, and delegated the matter to the Public Utility Law Judge Division. Public comment hearings were held in September 2019 and December 2019. The evidentiary hearing was held on January 28, 2020, and a proposed order was issued on February 12, 2020, granting the CPCN, subject to the license conditions proposed by PPRP and Staff. This matter remains pending.

18. Application of Spectrum Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 5.6 MW Solar Photovoltaic Generating Facility in Prince George's County, Maryland—Case No. 9608

Spectrum Solar, LLC filed an application for a CPCN to construct a 5.6 MW solar photovoltaic generating facility in Prince George's County, Maryland.

On May 20, 2019, the Commission initiated a new docket, Case No. 9608, to consider the application and delegated the matter to the Public Utility Law Judge Division. A procedural schedule was issued on July 16, 2019. Public comment hearings were held on September 10, 2019 and November 4, 2019 in Prince George's County. An evidentiary hearing was held on November 12, 2019, at which time the parties indicated that they were in agreement with the approval of the project as modified by the conditions proposed by PPRP and Staff. A proposed order was issued on January 31, 2020. There was no appeal of the proposed order and it became Order No. 89520 on March 2, 2020.

19. In the Matter of the Application of Lightsource Renewable Energy Development, LLC for a Certificate of Public Convenience and Necessity to Construct a 20 MW Solar Photovoltaic Generating Facility in St. Mary's County, Maryland—Case No. 9620

On August 27, 2019, the Commission initiated Case No. 9620 to consider the application for a CPCN to construct a 20 MW solar photovoltaic generating facility, and delegated the proceedings to the Public Utility Law Judge Division. On December 2, 2019, the first public comment hearing was held in Lexington Park, Maryland. As of December 31, 2019, this matter remains pending.

G. Standard Offer Service-, Restructuring-, and Energy Competition-Related Cases

1. Electric Competition Activity – Case No. 8738

By letter dated September 13, 2000, the Commission ordered the major investor-owned utilities in the state to file Monthly Electric Customer Choice Reports. The reports are to convey the number of customers served by suppliers, the total number of utility distribution customers, the total megawatts of peak demand served by suppliers, the peak load obligation for all distribution accounts, and the number of electric suppliers serving customers in Maryland. These data are to be collected for both residential and non-residential customers.

In 2019, Potomac Edison (PE), Baltimore Gas and Electric (BGE), Delmarva Power & Light (DPL), Potomac Electric Power Company (Pepco) and Southern Maryland Electric Cooperative (SMECO) filed enrollment reports on a monthly basis. At the end of December 2019, electric suppliers in the state served 529,329 commercial, industrial, and residential customers. This number represents an approximate 1.4% decrease from 2018, when 537,056 customers were served by suppliers.

Customer accounts enrolled with electric suppliers as of December 31, 2019

	Residential	Non-Residential	Total
Total eligible accounts	2,281,844	267,428	2,549,272
Number of customers enrolled with suppliers	429,838	99,491	529,329
Percentage of customers enrolled with suppliers	18.8%	37.2%	20.8%

At the end of December 2019, the overall demand in megawatts of peak load obligation served by all electric suppliers was 5,691 MW, up 0.4% from 5,666 MW in 2018.

Peak load obligation served by electric suppliers as of December 31, 2019

	Residential	Non-Residential	Total
Total MW peak	6,341 MW	5,879 MW	12,220 MW
MW demand served by suppliers	1,228 MW	4,463 MW	5,691 MW
Percentage of peak load served by suppliers	19.4%	75.9%	46.6%

BGE had the highest number of residential accounts (275,544), commercial accounts (53,398), and peak-load (3,181 MW) served by suppliers. The number of electric suppliers licensed in Maryland decreased from 404 in 2018 to 400 at the end of 2019, down almost 1%.

Most electric suppliers in Maryland are authorized to serve multiple classes. The number serving each class in each utility territory is reflected in the table below.

Number of electric suppliers serving enrolled customers by class as of December 31, 2019

	Residential	Small C&I	Mid-Sized	Large C&I
BGE	66	73	63	19
DPL	50	49	43	17
PE	37	38	35	16
Pepco	59	58	49	29
SMECO	9	6	3	1

a. Results of the Standard Offer Services Solicitations for Residential and Type I (Small Commercial) Customers—Case Nos. 9056 and 9064

The Commission reviews standard offer service (SOS) rates on an ongoing basis in Case Nos. 9056 and 9064. For the 12-month period beginning June 2019, SOS rates decreased for residential customers of Potomac Edison, BGE and Pepco, and increased for residential customers of Delmarva Power & Light, compared to the previous year. SOS rates decreased for Pepco's small commercial customers and increased for small commercial customers of Delmarva, BGE and Potomac Edison compared with the previous year. With the exception of Potomac Edison,[22] 2019 bids were completed in April of 2019. Rate changes expressed as a percentage change in the total annual cost for an average customer are shown below.[23]

Residential	
BGE	-1.0%
DPL	+4.0%
Pepco	-2.0%
Potomac Edison	-1.0% (for 2020/21)
TYPE I SOS (Small Commercial Customers)	
BGE	+1.1%
DPL	+3.5%
Pepco	-0.3%
Potomac Edison	+7.0%

[22] Due to PE's bid cycle, bill impacts are shown for one year in advance of the other utilities.

[23] The statistics are taken from the Commission's Staff reports submitted in Case Nos. 9056 and 9064. The annual bill change is determined not only by the newly bid load, but also by the proportion of previous year's contracts that expired.

2. Review of Standard Offer Service Administrative Charge—Delmarva Power & Light Company—Case No. 9226 and Potomac Electric Power Company—Case No. 9232

As noted in prior Annual Reports, Case Nos. 9226 and 9232 were remanded back to the Public Utility Law Judge Division for further proceedings. On September 6, 2017, a third proposed order was issued in the matter. OPC and Staff each filed an appeal of the order. The appeals remain pending as of December 31, 2019.

3. Petition of NRG Energy, Inc., Interstate Gas Supply, Inc., Just Energy Group, Inc., Direct Energy Services, LLC, and ENGIE Resources, LLC for Implementation of Supplier Consolidated Billing for Electricity and Natural Gas in Maryland—Case No. 9461

On September 7, 2017, numerous competitive suppliers filed a joint petition requesting the Commission mandate supplier consolidated billing as a billing option by June 30, 2019, at the latest, adopt specific policy recommendations and elements proposed in the petition, and establish a rule making proceeding and workgroup to facilitate the drafting of any new and revised COMAR provisions needed to implement supplier consolidated billing. By letter order issued on September 15, 2017, the Commission initiated a new docket, Case No. 9461, to consider the petition. It requested comments on the petition with a filing date by November 15, 2017. After review of the filed comments, the Commission held a legislative-style hearing on February 20, 2018, to further consider the petition. In a May 24, 2018 letter order, the Commission requested additional comments on specific issues raised in the hearing. On May 7, 2019, the Commission issued Order No. 89116 authorizing supplier consolidated billing and established a workgroup to propose a timeline and develop implementation guidelines. The proposed timeline was submitted on July 3, 2019 and accepted by the Commission on July 18, 2019.

H. Merger-, Transfer-, and Franchise-Related Cases

1. Merger of AltaGas Ltd and WGL Holdings, Inc.—Case No. 9449

As noted in the 2018 Annual Report, on April 4, 2018, the Commission approved a settlement agreement in this case, but imposed more than 50 conditions, including certain reporting requirements. On April 15, 2019, the Commission granted the Office of People's Counsel's (OPC) motion to require AltaGas Ltd. to file a report with the Commission describing its current financial condition and risks. Although the Commission concluded that AltaGas was in compliance with the conditions attached to the approval of its purchase of WGL Holdings, Inc. and Washington Gas Light Company, the Commission required AltaGas to file the report to address several concerns regarding its financial state post-acquisition. On October 3, 2019, the Commission accepted the report and denied the additional reporting requirements requested by OPC and Commission Staff.

I. Other Matters

1. New Frontiers Telecommunications, Inc. v. Verizon Maryland LLC—Case No. 9452

On February 28, 2017, New Frontiers Telecommunications, Inc. filed a formal complaint against Verizon Maryland LLC. The complaint alleged Verizon's billing and dispute practices were unreasonable and unjustly burdensome, and consequently New Frontiers was overbilled for years.

Additionally, New Frontiers alleged Verizon owed over $298,000 for unpaid reciprocal compensation and access charges. On May 17, 2017, the Commission initiated Case No. 9452 and delegated the case to the Public Utility Law Judge Division. On February 6, 2018, an evidentiary hearing in the matter was held during which New Frontiers failed to present evidence in its case-in-chief. On February 28, 2018, New Frontiers filed a first amended formal complaint. On March 29, 2018, a proposed order was issued which dismissed the amended complaint, dismissed with prejudice the formal complaint, permitted Verizon to collect arrearages owed by New Frontiers, and authorized Verizon to initiate disconnection of service if New Frontiers failed to pay. On April 30, 2018, New Frontiers appealed the proposed order.

On May 9, 2018, the Commission directed Verizon to immediately restore trunks that had been disconnected. On August 14, 2018, the Commission issued Order No. 88793 affirming the Chief Public Utility Law Judge's proposed order. On September 10, 2018, New Frontiers filed a petition for judicial review in the Circuit Court for Washington County. On April 26, 2019, the Circuit Court for Washington County denied New Frontiers' petition.

2. William E. Lowry v. Baltimore Gas and Electric Company—Case No. 9489

On April 12, 2018, William E. Lowry filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against Baltimore Gas and Electric Company (BGE) concerning allegations of meter tampering, the calculation of unmetered service, and associated fees. On August 13, 2018, the Commission issued a letter order finding evidence to support metering tampering and the consequent fee; however, there was insufficient evidence to determine whether BGE accurately calculated the charges for unmetered service. The Commission delegated this matter to the Public Utility Law Judge Division to initially determine if the complainant was entitled to reconnection, and if so, the amount of a deposit necessary to reconnect, as well as the amount owed to BGE for any unmetered service. On September 26, 2018, the Public Utility Law Judge found there was insufficient information to direct BGE to reconnect Mr. Lowry. After receiving documentation from both parties, on December 21, 2018, the Public Utility Law Judge instructed BGE to recalculate the estimated charges based on the daily usage of 68 kWh from September 10, 2014 through June 20, 2017, with accompanying sworn testimony. On January 29, 2019, a proposed order was issued authorizing BGE to bill and collect $9,944.45 for unauthorized service, and dismissing the formal complaint. There was no appeal of the proposed order and it became Order No. 89051 on March 1, 2019.

3. Nkem Egede v. Southern Maryland Electric Cooperative—Case No. 9491

On May 29, 2018, Nkem Egede filed an appeal of the Commission's Consumer Affairs Division's (CAD) decision on further review involving a formal complaint against Southern Maryland Electric Cooperative (SMECO) concerning allegations of meter tampering since 2012 and finding her financially responsible for unmetered service and associated fees. On September 5, 2018, the Commission issued a letter order that found the meter tampering and consequent fees were supported by CAD's record; however, the case was delegated to the

Public Utility Law Judge Division to determine whether SMECO had correctly calculated the balance due for unmetered service and accurately credited payments made by Ms. Egede during the tampering period. On December 6, 2018, an evidentiary hearing was held. On January 16, 2019, a proposed order was issued authorizing SMECO to bill and collect $8,140.17 for unmetered service from June 27, 2012 to March 10, 2017, and directed SMECO to offer Ms. Egede an installment payment plan. There was no appeal of the proposed order and it became Order No. 89036 on February 19, 2019.

4. Donna Berry v. Baltimore Gas and Electric Company—Case No. 9497

On August 7, 2018, Donna Berry filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against BGE concerning allegations of meter tampering that resulted in the termination of service at one location and prevented her from obtaining service at a second location. On November 21, 2018, the Commission issued a letter order in which it concluded there were issues of fact that required a more developed record and delegated the case to the Public Utility Law Judge Division. An initial hearing was scheduled but was canceled as the parties were attempting to settle the matter. On January 14, 2019, the parties indicated the matter had been resolved. On January 15, 2019, the case was dismissed.

5. William Steverson v. Potomac Electric Power Company—Case No. 9498

As reported in 2018, on April 17, 2018, William Steverson filed an appeal of the Commission's Consumer Affairs Division's (CAD) decision on further review involving a formal complaint against Potomac Electric Power Company (Pepco) challenging the termination of his service, and alleging unfairness and bias by CAD in handling the dispute. On November 21, 2018, the Commission issued a letter order that denied the allegations of bias, but delegated the issue to the Public Utility Law Judge Division to determine whether Pepco violated COMAR 20.31.03.01. On February 7, 2019, an evidentiary hearing was held. On February 11, 2019, a motion to stay proceeding was filed and subsequently granted, based upon Mr. Steverson filing a petition for bankruptcy. As of December 31, 2019, this matter remains pending.

6. In the Matter of the Formal Complaint of Thomas Lee Lilly v. Delmarva Power and Light Company—Case No. 9606

On February 6, 2019, Thomas L. Lilly filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against Delmarva Power and Light Company (DPL) concerning DPL's reversal of a $1,519.04 credit on one of his accounts at a rental property. On April 26, 2019, the Commission issued a letter order that found the payment records submitted by both parties could not be resolved, and initiated a new docket and delegated the matter to the Public Utility Law Judge Division to conduct proceedings. After a procedural schedule was established and testimony filed, on November 5, 2019, an evidentiary hearing was held followed by the filing of briefs by both parties. On December 26, 2019, a proposed order was issued which determined the $1,519.10 had been paid by Mr. Lilly's tenant, and he was not entitled to receive a credit in that amount. The proposed order found, however, that DPL failed to request authorization to retroactively bill undercharges that were more than 12 months old. Therefore, DPL was directed to return $195.49 to Mr. Lilly, which represents the charges incurred during the three-month delay in rendering the retroactive bill. Additionally, the proposed order imposed a $3,000 civil penalty against DPL for taking collection action on an account that was in dispute, in violation of COMAR. There was no appeal of the proposed order and it became Order No. 89468 on January 27, 2020.

7. In the Matter of the Formal Complaint of Carrie Crawford v. Viridian Energy PA, LLC—Case No. 9611

On February 11, 2019, Carrie Crawford filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against Viridian Energy PA, LLC related to her enrollment with Viridian, specifically whether Ms. Crawford enrolled in a fixed or variable rate contract, and whether Viridian engaged in deceptive marketing. On June 12, 2019, the Commission issued a letter order that delegated the case to the Public Utility Law Judge Division. Prior to the establishment of a procedural schedule, on July 29, 2019, Viridian advised that the parties had reached a settlement and requested the case be dismissed. On August 8, 2019, a notice of dismissal was issued and the docket was closed.

8. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. SmartEnergy Holdings, LLC d/b/a SmartEnergy—Case No. 9613

On May 10, 2019, Staff filed a complaint against SmartEnergy alleging SmartEnergy had committed fraud and engaged in deceptive practices for failing to comply with the Commission's consumer protection regulations, as contained in COMAR 20.51.07 and 20.53.07. On May 16, 2019, the Commission directed SmartEnergy to file an answer to Staff's complaint and submit evidence to show just cause as to why SmartEnergy's license to provide electric or electric supply services should not be suspended or revoked, or, in the alternative, why SmartEnergy should not be precluded from soliciting additional customers and/or be subject to a civil penalty under the Public Utilities Article (PUA) for (a) committing fraud, (b) engaging in deceptive practices, (c) slamming, and (d) failing to comply with the Commission's consumer protection regulations. SmartEnergy filed a response, and on July 8, 2019, Staff submitted proprietary and non-proprietary versions of supplemental exhibits to its complaint.

On July 12, 2019, the Commission, by Order 89190, delegated the complaint to the Public Utility Law Judge Division for a finding of whether a pattern or practice exists of systemic violations of the consumer protections contained in the PUA. Staff subsequently amended its complaint and the Maryland Office of People's Counsel filed a third-party complaint. The evidentiary hearing is scheduled for the week of May 18, 2020.

9. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. Direct Energy Services, LLC—Case No. 9614

On May 15, 2019, the Commission's Staff filed a complaint against Direct Energy Services, LLC alleging that the company had violated Maryland law governing retail suppliers' activities. On May 17, 2019, the Commission ordered the company to answer Staff's complaint and to show just cause as to why the company's license to provide electricity or electricity supply services and its license to provide natural gas and natural gas supply services should not be suspended or revoked. On July 12, 2019, the Commission found that the submissions provided by the parties were insufficient to resolve the issues set forth in Staff's complaint and the company's response, and initiated a new docket, Case No. 9614. The case was delegated to the Public Utility Law Judge Division for a finding of whether the company engaged in a pattern or practice of systemic violations of the consumer protections in the PUA and the Commission's regulations. A pre-hearing conference was held on September 11, 2019. A scheduling order was issued on January 6, 2020. This matter remains pending.

10. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. U.S. Gas & Electric d/b/a Maryland Gas & Electric and Energy Services Providers, Inc. d/b/a Maryland Gas & Electric—Case No. 9615

On May 15, 2019, Staff filed a complaint against U.S. Gas & Electric d/b/a Maryland Gas & Electric alleging that the company had violated Maryland law governing retail suppliers' activities. On May 17, 2019, the Commission ordered the company to answer Staff's complaint and to show just cause as to why the company's license to provide electricity or electricity supply services and its license to provide natural gas and natural gas supply services should not be suspended or revoked. On July 12, 2019, the Commission found that the submissions provided by the parties were insufficient to resolve the issues set forth in Staff's complaint and the company's response, and the Commission initiated a new docket, Case No. 9615. The matter was delegated to the Public Utility Law Judge Division for a finding of whether the company engaged in a pattern or practice of systemic violations of the consumer protections in the PUA and the Commission's regulations. A pre-hearing conference was held on September 11, 2019. A scheduling order was issued on September 16, 2019. As of December 31, 2019, this matter remains pending.

11. In the Matter of the Formal Complaint of the Staff of the Public Service Commission v. Energy Services Providers Inc. d/b/a Maryland Gas & Electric and U.S. Gas and Electric d/b/a Maryland Gas and Electric—Case No. 9616

On April 15, 2019, Maryland Gas & Electric filed a formal complaint and appeal against the decision from the Commission's Consumer Affairs Division. On April 24, 2019, Arthur Smirnov responded to the company's filing. On July 18, 2019, the Commission initiated a new docket, Case No. 9616, and delegated the matter to the Public Utility Law Judge Division for further proceedings. A pre-hearing conference was held on September 11, 2019, with a procedural schedule issued on September 16, 2019. On October 1, 2019, the company filed notice that the parties had settled the matter and requested dismissal of the case. On October 4, 2019, the matter was dismissed and the docket closed.

12. In the Matter of the Complaint of the Staff of the Public Service Commission Against Smart One Energy, LLC—Case No. 9617

On May 10, 2019, the Commission's Staff filed a complaint alleging that Smart One Energy, LLC—a natural gas supplier licensed in Maryland since September 21, 2011—had committed fraud, engaged in deceptive practices, and violated the Commission's consumer protection regulations with regard to three Maryland customers of Smart One Energy's natural gas supply business. Staff requested that Smart One Energy show cause why its license to provide natural gas and natural gas supply services should not be suspended or revoked. On May 16, 2019, the Commission issued an order directing Smart One Energy to show cause why it should not face penalties, as requested by Staff. The Commission held a hearing on the matter at its July 17, 2019 Administrative Meeting. In both its written responses and at the Administrative Meeting, Smart One Energy admitted to committing the alleged violations. Smart One Energy also admitted that, with regard to all of its customers in Maryland, it had never received signed written contracts or provided to those customers contract summaries, as required by Maryland law and Commission regulations. On August 2, 2019, in Order No. 89219, the Commission suspended Smart One Energy's retail supplier license, imposed a civil penalty of $561,000—the largest the Commission had ever levied against a retail supplier—and directed the transfer of Smart One Energy's customers to their default utility providers. On August 14, 2019 and August 22, 2019, the Commission issued notices of default to Smart One Energy's bond holder after the supplier failed to comply with Order No. 89219. On September 18, 2019, the Commission revoked Smart One Energy's license as a natural gas supplier and directed that the proceeds of its $250,000 bond be paid to the Commission to satisfy Smart One Energy's financial obligations. On March 6, 2020, the Commission issued Order No. 89526, directing refunds.

13. In the Matter of the Alternative Rate Plans or Methodologies to Establish New Base Rates for an Electric Company or a Gas Company—Case No. 9618

After conducting Public Conference 51, on August 6, 2019, the Commission issued Order No. 89226 on Alternative Forms of Rate Regulation and established a working group to be overseen by the Public Utility Law Judge Division, with the assistance of the Commission's Staff. The order directed the working group to submit an implementation report that addressed 11 specific items. The working group met eight times from September 2019 through December 2019, and filed its report on December 20, 2019. In Order No. 89482 issued on February 4, 2020, the Commission established a pilot and set guidelines for the first utility to file a multi-year rate plan. The August 2019 order directed the working group to commence a second phase to consider performance-based rates and set a deadline of April 1, 2020 to submit a report.

14. In the Matter of the Formal Complaint of Christine R. Gaynor Spottswood v. Potomac Electric Power Company—Case No. 9621

On October 1, 2019, Ms. Gaynor Spottswood filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against Pepco regarding the amount of electricity billed by Pepco and the electricity consumption that the company alleged was procured due to meter tampering. Pepco initially determined the tampering had existed from 2011 through 2017 and estimated the unmetered electricity usage to be $18,966.72. The amount Pepco ultimately sought was reduced based upon two miscalculations and a directive from the Commission to amend the tampering period to 2012 through 2017, while resulted in an unbilled usage estimate of $14,775.20. The Commission found issues of fact related to the amount Pepco claimed was owed based on several years of unmetered usage and the length of time—approximately five years—to discover the tampering, and delegated this matter to the Public Utility Law Judge Division. The parties both submitted testimony and an evidentiary hearing was held of December 9, 2019. Pepco filed a post-hearing brief on January 10, 2020. A proposed order was issued on February 11, 2020, authorizing Pepco to bill $14,775.20 for unbilled usage due to meter tampering. This matter remains pending.

15. In the Matter of the Formal Complaint of Hill Management Services, Inc. v. Agera Energy, LLC—Case No. 9623

On April 29, 2019, Hill Management Services, Inc. filed an appeal of the Commission's Consumer Affairs Division's decision on further review involving a formal complaint against Agera Energy, LLC alleging breach of contract to deliver gas and failure to notify pursuant to a 2017 contract, and sought $464,112.75. On September 11, 2019, the Commission determined an evidentiary hearing was necessary and delegated the case to the Public Utility Law Judge Division. A procedural schedule was adopted and, on October 7, 2019, Agera filed a suggestion of bankruptcy. On October 15, 2019, this proceeding was stayed. As of December 31, 2019, this matter remains pending.

16. In the Matter of the Complaint of the Staff of the Public Service Commission of Maryland v. Atlantic Energy MD, LLC—Case No. 9624

On May 15, 2019, Commission Staff filed a complaint against Atlantic Energy, MD, LLC alleging numerous violations of Maryland law governing retail suppliers' activities. After considering Atlantic's response, on July 12, 2019, the Commission dismissed Staff's complaint. However, on August 12, 2019, the Office of People's Counsel (OPC) filed a motion for rehearing. On October 2, 2019, the Commission granted OPC's motion and delegated the proceedings to the Public Utility Law Judge Division. On November 13, 2019, a procedural schedule was issued; evidentiary hearings are currently scheduled for July 2020.

17. Formal Complaint of Gordon Brenne against the Washington Suburban Sanitary Commission—Case No. 9625

On July 16, 2019, Gordon Brenne filed a formal complaint against Washington Suburban Sanitary Commission (WSSC) asserting that the company's volumetric rates for water and sewer service are not just and reasonable and are unduly discriminatory. A replacement complaint was filed on July 18, 2019. On July 19, 2019, the Commission granted Mr. Brenne's request to withdraw the original complaint and ordered the company to answer the replacement complaint. On October 18, 2019, the Commission delegated the matter to the Public Utility Law Judge Division to conduct proceedings to evaluate the WSSC cost of service study in order to determine whether the new rate structure adopted by WSSC implements rates that are just and reasonable and directed the Commission Staff to participate in the matter. A pre-hearing conference was held on February 4, 2020. A procedural schedule was issued on February 10, 2020.

J. Rulemakings and Regulations – New and Amended

1. RM56—Revisions to COMAR 20.62 - Community Solar Energy Generation Systems

On November 25, 2019, the Commission Staff filed a request for guidance regarding requirements for low and moderate income verification for community solar subscribers. Staff requested that the Commission issue an order clarifying that self-attestation does not qualify as an alternate means aside from income verification or participation in the Maryland Office of Home Energy Programs' assistance program to verify the status of low and moderate income subscribers. On December 13, 2019, the Low and Moderate Income Advocates (LMI Advocates) asked the Commission, among other things, to reject Staff's request. After considering this matter at the January 29, 2020 Administrative Meeting, the Commission adopted the use of federal poverty levels to establish low-income participation in community solar, found that self-attestation plus proof of participation in certain low and moderate income state and federal programs, and proof of residency in a low-income census tract were sufficient to quality as an alternate means to verify LMI status, and that a subscriber organization's signed affidavit under oath that approved-program eligibility documents or proof of residency were observed and that the subscriber's annual income meets the requirement of the LMI criteria, serves as an alternate means of income verification to establish program eligibility for LMI subscribers.

2. RM65—Revisions to COMAR 20.31.01.02 and COMAR 20.31.03.06 – Terminations of Service

In response to a May 23, 2018 petition by the Office of People's Counsel, Potomac Electric Power Company, Delmarva Power & Light Company, and Washington Gas Light Company, the Commission initiated Rulemaking 65 to consider revisions to COMAR 20.31.01.02 and 20.31.03.06 which would clarify the minimum required content of service termination notices to individuals who live in master-metered buildings. At a rulemaking session on August 21, 2018, the Commission moved to revise and approve the proposed regulations, but delayed publication to allow all impacted parties to discuss the proposed revisions. On September 4, 2018, the Commission moved to publish the revised regulations for notice and comment in the *Maryland Register.* The proposed regulations were published in the *Maryland Register* on February 1, 2019. At a rulemaking session on March 27, 2019, the proposed regulations were granted final adoption by the Commission.

K. Public Conferences

1. PC44—In the Matter of Transforming Maryland's Electric Distribution Systems to Ensure That Electric Service is Customer-centered, Affordable, Reliable, and Environmentally Sustainable in Maryland.

As reported in the 2016 Annual Report, on September 26, 2016, the Commissioned convened PC44, a proceeding which built on two recent Commission technical conferences to examine rate-related issues affecting the deployment of distributed energy resources (PC40) and electric vehicles (PC43). It also follows up on a condition of the Commission's May 2015 approval of the merger of Exelon Corporation and Pepco Holdings, Inc. (PHI), which required PHI to file a plan for transforming its distribution system and fund up to $500,000 to retain a consultant to the Commission on the matter. Key topics of exploration would include enhancing rate design options, particularly for electric vehicles; calculating benefits and costs of distributed energy resources, including solar energy; maximizing advanced metering infrastructure (smart meters) benefits; valuing energy storage properly; streamlining the interconnection process for distributed energy resources; evaluating distribution system planning; and assessing impacts on limited-income Marylanders.

On January 31, 2017, the Commission issued a notice outlining the proceeding's next steps. The notice directed PHI to seek bids for a consultant to study the benefits and costs of distributed solar and also contained a statement of guiding principles, revised the scope/topics of the proceeding, and detailed a proposed timeline. The revised topics of exploration include rate design, electric vehicles, competitive markets and customer choice, interconnection process, energy storage, and distribution system planning (if sufficient funding is available). 2019 activities included:

- **RM62—Revisions to COMAR 20.32, 20.50, 20.53, 20.55, and 20.59 - Competitive Markets and Retail Gas and Electric Customer Choice**

On January 31, 2018, the CMCC workgroup leader filed a non-consensus Petition to Initiate Rulemaking to consider proposed regulatory changes aimed at enhancing Maryland's competitive market and customer choice framework.[24] The proposed rules addressed a variety of items, including:

- administrative or process burdens (unrelated to consumer protection);
- clean-up items from a prior rulemaking (RM54);
- additional regulations requiring electric and gas suppliers to comply with comparable provisions for budget billing already required of electric and gas companies;
- two new enhancements to the existing framework for retail choice—seamless moves and instant connects;
- language related to the posting of open offers by suppliers to the Commission's website; and
- proposed regulations concerning the distribution and use of consumer interval data in service territories where advance metering infrastructure has been deployed.

The Commission conducted a legislative-style hearing on May 8, 2018, and again on August 23, 2018, where various stakeholders provided comments on the proposed regulations. At the August 23 hearing, the Commission approved the publication in the *Maryland Register* of certain proposed regulations for notice and comment. Following publication on December 7, 2018, the Commission did not receive any comments on the proposed regulations. On February 6, 2019, the Commission adopted as final the revised regulations as published in the *Maryland Register* on December 7, 2018.

- **Rate Design Workgroup**

After consideration at the December 12, 2018 Administrative Meeting, the Commission directed the Joint Utilities to proceed with implementation of residential time of use (TOU) pilots. Recruitment for the pilot program began in

[24] The workgroup also requested guidance from the Commission regarding a Phase III for the workgroup.

early 2019. The TOU rates went into effect in the utilities' service territories on April 1, 2019, and will remain open to customers for the duration of the pilot (May 31, 2021) and through the evaluation period (end of 2021). On December 4, 2019, the workgroup convened to hear the results of the Interim Impact Evaluation from the Utilities. The pilot rates continue to be in effect.

The Commission also directed BGE and Pepco to issue a request for proposals from the supplier community to undertake innovative load-shaping pilots. After receiving the results of the solicitation and party comments, the Commission directed Pepco and BGE to partner with the selected suppliers in offering two innovative rate offerings designed to shift and shape residential customer load.

- **Case No 9478—In the Matter of the Petition of the Electric Vehicle Workgroup for Implementation of a Statewide Electric Vehicle Portfolio**

On January 14, 2019, the Commission issued Order No. 88997 approving a modified EV charging portfolio across the four IOU (BGE, DPL, Pepco and Potomac Edison) service territories. Summarized briefly, the Commission approved a total of 5,046 smart and DC fast chargers (combined):

- Rebate incentives for 3,137 residential smart chargers via rebate incentives;
- Rebate incentives for 1,000 non-residential smart chargers at multi-unit dwelling locations; and
- 909 utility-owned and operated public chargers.

Order No. 88997 also approved time-of-use residential rate offerings (both whole house and EV-specific), demand charge credit programs for non-residential applications, and BGE's managed charging program to control the level of EV charging during peak demand periods. The Commission further directed the utility companies to file detailed, semi-annual reports addressing specific metrics designed to inform the Commission and the public regarding program implementation and impacts on the distribution grid.

SMECO filed an application on May 14, 2019 to install up to 60 utility-owned and operated public chargers in a program similar to those approved for the four IOU service territories. On July 31, 2019, the Commission approved a modified version of SMECO's request, adding an additional 60 public-facing chargers to the state portfolio and raising the total number of approved chargers to 5,106. BGE and PHI officially launched their programs in July 2019. PE began its programs in January 2020, and SMECO will start its programs later in 2020.

V. COMMISSION TELECOMMUNICATIONS CASES AND ACTIVITIES

A. Cases

1. Tariffing Requirements for Competitive Local Exchange Telephone Companies with 20,000 or Fewer Subscribers—Case No. 9414

As noted in the 2016 Annual Report, the Commission initiated Case No. 9414 to consider the appropriate tariffing requirement for competitive local exchange telephone companies (CLECs) with 20,000 or fewer subscribers. The procedural schedule in the matter was suspended on September 12, 2016, but a modified procedural schedule was adopted on February 3, 2017. On July 31, 2017, Staff filed a Joint Motion for Approval of Agreement of Stipulation and Settlement. An evidentiary hearing to consider the settlement agreement and to admit the testimony of Staff's witness into the record was held on July 26, 2017.

On August 10, 2017, a proposed order was issued granting the motion and approving the settlement agreement. There was no appeal of the proposed order, and it became Commission Order No. 88353.

On October 25, 2017, by Order No. 88436, the Commission set forth the procedures by which CLECS with 20,000 or fewer subscribers could remove local exchange tariffs with the Commission and request tariff requirements associated with provision of local exchange services be eliminated. During 2019, the Commission granted six requests from CLECs to remove their tariffs and eliminate their tariffing requirement.

B. Rulemakings

1. RM64—Revisions to COMAR 20.45.09.03 - Intrastate Switched Access Rates

On April 12, 2018, Staff requested that the Commission initiate a rulemaking aimed at reducing originating switched access rates for all telephone carriers in Maryland to the interstate rate. Further, Staff asked that the rulemaking create a regulation prohibiting originating access charges from being greater than the interstate access charges, unless otherwise allowed by the Commission. At a rulemaking session on June 6, 2018, the Commission took no action on the proposed regulations but directed Staff to file revised proposed regulations that would incorporate changes proposed by Verizon Maryland, LLC. It was expected that the Federal Communications Commission would address originating access rates, but has not yet done so. On August 28, 2019, the Commission Staff filed proposed revisions to the regulations, which adopted language proposed by Verizon, with the exception of language that would have precluded companies operating in Verizon's service territory from seeking a waiver. At a rulemaking session held on October 16, 2019, the Commission moved to publish in the *Maryland Register* the revised regulations for notice and comment. At a rulemaking session on March 11, 2020, the Commission moved to finally adopt the proposed revised regulations as published in the *Maryland Register* on January 3, 2020.

VI. COMMISSION WATER/SEWER CASES

1. RM66—Regulations Governing Staff-Assisted Rate Cases for Certain Water and Sewage Disposal Companies—COMAR 20.70.09 and COMAR 20.75.08

Pursuant to legislation passed in the 2017 General Assembly session, the Commission Staff proposed regulations to establish formal rules under which small water and sewage companies could seek assistance from the Commission's Staff in rate cases. At a rulemaking session on March 27, 2019, the Commission moved to finally adopt revisions to the proposed regulations as published in the *Maryland Register* on February 1, 2019.

VII. COMMISSION PARTICIPATION OR INTERVENTIONS IN OTHER REGULATORY COMMISSION MATTERS

Below is a summary of selected matters in which the Commission's Office of General Counsel (OGC) represented the Commission before the Federal Energy Regulatory Commission (FERC) during 2019.

A. Delaware and Maryland State Commissions v. PJM (Artificial Island Complaint)—EL15-95

On August 28, 2015, the Delaware Public Service Commission and the Maryland Commission jointly filed a complaint pursuant to Section 206 of the Federal Power Act against PJM and certain PJM transmission owners requesting that FERC find that PJM's use of a "solution-based DFAX" to allocate the costs of the Artificial Island Regional Transmission Expansion Plan Project is unjust, unreasonable, and unduly discriminatory and preferential. Complainants asserted that PJM's sole reliance on the solution-based DFAX methodology for allocating Artificial Island Project costs results in a grossly disproportionate financial impact to customers within the Delmarva transmission zone (Delaware and the Maryland Eastern Shore) when compared with the limited benefits to consumers in that zone.

On November 24, 2015, FERC issued an order finding that PJM’s proposed tariff amendments have not been shown to be just and reasonable, and may be unjust, unreasonable, or unduly discriminatory or preferential. FERC directed its staff to establish a technical conference to explore both whether there is a definable category of reliability projects within PJM for which the solution-based DFAX cost allocation method may not be just and reasonable, such as projects addressing reliability violations that are not related to flow on the planned transmission facility, and whether an alternative just and reasonable ex-ante cost allocation method could be established for any such category of projects.

On April 22, 2016, FERC issued an order denying the Delaware and Maryland commissions' complaint. Petitions for rehearing have been filed and the matter remains pending before FERC, along with a motion to defer ruling on the matter pending review of alternatives being considered by PJM.

On September 6, 2017, the Delaware and Maryland commissions filed at FERC to reopen the record and lodge a PJM analysis more accurately depicting the beneficiaries of the Artificial Island project. On July 19, 2018, FERC granted rehearing, finding that it is unjust and unreasonable to apply PJM's solution-based DFAX cost allocation methodology to the Artificial Island project, and establishing hearing procedures to determine an appropriate methodology. On July 17, 2018, the Delaware and Maryland commissions filed expert testimony supporting a PJM-modeled Stability Deviation Method as the cost allocation methodology that would more appropriately assign Artificial Island Project costs in proportion to the areas of the electric system where the reliability concerns are meant to be mitigated. In response to requests for rehearing by PJM transmission owners (TOs) and New Jersey State Agencies (NJ), FERC issued an order on February 28, 2019 denying the TOs' and NJ's rehearing requests, and adopted the Stability Deviation Method (the method advocated by Maryland and Delaware) as the just and reasonable replacement rate for Artificial Island cost allocation.

Following a PJM request for clarification regarding its order, PJM refiled, and FERC approved on December 19, 2019, a revised replacement rate for project cost allocation. The impact of the revision on Delmarva customers as a result of the clarification is minimal when compared to the February 28, 2019 replacement rate.

B. Intra-PJM Extra High Voltage [500 kV and Above] Cost Allocation—FERC Docket EL05-121

On May 31, 2018, FERC issued a settlement order approving the parties' contested settlement agreement resolving pre-Order 1000 intra-PJM 500 kV and above (EHV) transmission cost allocation. The Commission negotiated extensively over a period of years with western-PJM state commissions to reach a settlement pertaining to the re-allocation of approximately $731 million in 500 kV and above transmission facilities costs following two appeals by the Illinois Commerce Commission regarding FERC's initial decision (and FERC's decision on remand) in this case. Subject to PJM filings implementing the settlement, Maryland transmission owners (BGE, Pepco, DPL, and FirstEnergy) will file updates to their transmission tariffs with the Commission for review and approval. The Maryland Commission was a non-opposing settlement party. Merchant transmission owners who opposed the settlement have since filed requests for rehearing, which remain pending with FERC.

On February 13, 2020, Long Island Power Authority (LIPA) and Linden VFT, LLC filed a Petition for Review in the D.C. Circuit Court of Appeals. The Commission has intervened.

C. Electric Transmission Plant Abandonment Cost

In PJM Interconnection, LLC and Potomac-Appalachian Transmission Highline, LLC (PATH) – Docket No. ER12-2708-000 (the PATH Abandonment Plant Case), the presiding judge issued an initial decision on September 14, 2015 granting some, but not all, of PATH's abandonment costs, but substantially mitigating the PATH companies' return on equity (ROE) to 6.27% (well below the 10.54% that had been requested). On January 19, 2017, FERC issued a final order affirming in part and reversing in part the initial decision. FERC reversed the initial decision with regard to ROE and set the ROE at 8.11%, the low end of the range of reasonableness within the proxy group.

On January 17, 2019, FERC issued a compliance order regarding PATH's formula rate filing for abandonment recovery. In reviewing PATH's formula rate filing, FERC determined that some, but not all, of PATH's accounting adjustments complied with Opinion No. 554 (the order addressing both PATH's transmission abandonment costs and formal challenges). In the January 17 compliance order, FERC concluded that PATH failed to comply with Opinion No. 554 with respect to approximately $2,373,480 of general advertising expenses, and failed to comply with its directives regarding approximately $24,132,053 in land transactions costs for the eight properties sold after the issuance of Opinion No. 554. Accordingly, FERC directed PATH to file an additional compliance filing regarding these costs within 30 days, and to file a refund report associated with its compliance within 60 days, of the January 17 compliance order. Additionally, PATH was directed to submit a compliance filing describing its plan for ending its project operations and cancellation of its transmission formula rates within 30 days. The Maryland Commission participated significantly in the PATH transmission abandonment case and is monitoring PATH's filings to ensure that PATH's accounting adjustments comply with Opinion No. 554.

On January 24, 2020, FERC granted the PATH companies' request for rehearing and established paper hearing procedures to reconsider the methodology used to develop the transmission owner's return on equity (ROE). The Maryland Commission joined the Maryland Office of People's Counsel and several other state consumer advocates in filing ROE testimony in the paper hearing.

D. Energy Storage and Distributed Energy Resource (DER) Participation in Wholesale Markets—FERC Docket No. RM16-23

On November 17, 2016, FERC proposed to amend regulations to remove barriers to the participation of electric storage resources and DER aggregations in the capacity, energy, and ancillary service markets operated by RTOs and ISOs. On February 10, 2017, the Maryland Commission, jointly with the New Jersey Board of Public Utilities, filed comments requesting FERC confirm state jurisdiction over siting and costs associated with interconnecting such resources to the distribution system, include provisions for the RTO market monitor to review any claims of market manipulation regarding access to the system, and prohibit the possibility of dual compensation in wholesale and retail markets when providing behind-the-meter resources access to wholesale markets.

On February 15, 2018, FERC issued Order No. 841 establishing reforms to remove barriers to the participation of electric storage resources in regional transmission organization (RTO) markets. The order requires RTOs to update their rules to ensure electric storage resources capable of providing energy, capacity and ancillary services can participate in these markets, recognizing the unique characteristics of these resources. The order also notes states' responsibilities pertaining to matters related to the distribution system, including design, operations, power quality, reliability and system costs as they pertain to the development and operations of electric storage resources. On May 16, 2019, FERC issued Order No. 841-A, generally affirming its previous order.

E. State Policies and Wholesale Capacity Markets—FERC Docket Nos. ER18-1314, EL16-149 and EL18-178

On March 21, 2016, in Docket No. EL16-149, Calpine and certain other generators filed a complaint at FERC, claiming that PJM's Minimum Offer Price Rule (MOPR) is unjust and unreasonable because it allows certain resources receiving state-supported out-of-market payments to suppress prices in PJM's capacity market. Subsequently, on April 9, 2018, in Docket No.ER18-1314, PJM filed at FERC proposed changes to its capacity market rules to address the concerns in Calpine's complaint that would apply to most resources receiving revenues outside of its capacity market attributed to state policies. Such revenues generally reflect payments to generators for their clean energy attributes, such as renewable energy credits (RECs). PJM requested FERC to select one of two alternatives to its existing market rules as just and reasonable. One option would ensure resources meeting state policies clear the capacity market, but would raise capacity prices paid to all resources that clear the market. The second option would apply a MOPR to subsidized resources, effectively preventing them from clearing the market. On May 7, 2018, the Maryland Commission filed in protest of both alternatives.

On June 29, 2018, FERC issued an order in the Calpine case (Docket No., EL16-149), and on its own motion initiated a proceeding (Docket No. EL18-

178), consolidating Docket Nos. EL16-149 and ER18-1314, and stated that neither of PJM's proposals was just and reasonable, and that PJM's existing reliability pricing model (RPM) tariff also was unjust and unreasonable. In that order, the FERC stated further that the MOPR—with few exceptions—should apply to all resources that receive out-of-market subsidies. FERC set the matter for paper hearing procedures and solicited comments, including comments on a resource-specific Fixed Resource Requirement (FRR) Alternative. FERC suggested the resource-specific FRR (RS-FRR) Alternative, a proposed variation on the FRR Alternative mechanism currently in place under PJM's FERC-approved operating rules, as a way to accommodate state policies. PJM's existing FRR Alternative rules allow electricity suppliers to plan and provide for all of their customers' capacity needs from outside of PJM's capacity market. The proposed RS-FRR Alternative would allow resources receiving revenues attributed to state policies to contract directly with electricity suppliers. The balance of the suppliers' capacity needs could then be procured from PJM's capacity market. Allowing for this bifurcated approach would presumably accommodate state policies.

On October 2, 2018, the Maryland Commission requested rehearing of the June 2018 order, asserting that the order was arbitrary and capricious in its finding that the existing RPM tariff was unjust and unreasonable, and filed comments advocating for exemptions in the event FERC chose to proceed with a rate structure that would apply the MOPR. The Commission also submitted a novel proposal referred to as the Competitive Carve-Out Auction (CCOA). The

CCOA is a solution that can accommodate the inclusion of state-preferred resources in the capacity clearing process in a timely, competitive and efficient fashion. On December 19, 2019, FERC issued an order requiring PJM to amend its rules to apply the MOPR for resources that receive what FERC characterizes as "state subsidies." While the order provides exemptions for existing demand response, storage and intermittent renewables, it discards its previous suggestion that state policies could be accommodated on a resources-specific basis and withdrew the RS-FRR Alternative. FERC also rejected the Commission's CCOA proposed solution without analysis or comment.

On January 21, 2020, the Commission filed a request at FERC for rehearing and clarification of the December 2019 order. The Commission requested that FERC: (1) reverse its decision to reject the Commission's accommodative CCOA alternative approach for clearing state-preferred resources in the PJM capacity market; (2) exempt all existing and future renewable resources that receive or are eligible to receive subsidies pursuant to state policies adopted subsequent to the issuance of FERC's June 2018 order and prior to the issuance of the December 2019 order; (3) reconsider exempting limited amounts of emerging technologies; (4) expand the criteria for exempting renewable resources to include resources that received state regulatory commission authorization for RECs prior to the date of FERC's December 2019 order; (5) clarify that new resources participating in retail utility demand response (DR) programs—of which retail customers move in and out—are not subject to the new resource MOPR requirement; (6) clarify that resources benefiting from the Regional Greenhouse Gas Initiative (RGGI) or any state carbon-pricing mechanism do not receive a state subsidy, as the term is defined in the December 2019 order; and (7) clarify that transmission resources planned by PJM pursuant to Order No. 1000 public policy provisions and sponsored by states attempting to meet public policy goals by delivering power from state-preferred generation resources, do not cause the underlying generation resources to receive a state subsidy, as that term is defined in the December 2019 order. The Commission also requested that FERC direct PJM to delay conducting any future capacity auction to no earlier than May 2021 to allow state legislatures, including the Maryland General Assembly, enough time to consider options to protect state-preferred resources that will be effectively excluded from clearing the PJM capacity market.

PJM will develop detailed market rules and generic price floors for capacity resources by March 2020, in compliance with FERC's order. PJM will also propose when it plans to conduct the capacity auction that had been placed on hold since May 2019. Further clarifications may be forthcoming when FERC issues an order on the rehearing and clarification requests and the compliance filing, expected by May 2020.

F. Transource Market Efficiency Transmission Project—FERC Docket No. ER17-419

On November 28, 2016, Transource, a merchant transmission company, filed for rate approval at FERC associated with a transmission project designed to relieve transmission congestion in the PJM Interconnection. The project, as designed, would serve to reduce the cost of delivered power to BGE and Pepco customers. Transource requested the project receive 10.4% return on equity (ROE) and an additional 100 basis points in incentives. Construction costs, including provisions for inflation, were estimated to exceed $230 million. The Maryland Commission participated in settlement discussions at FERC, resulting in further cost savings to customers by negotiating to reduce ROE to 9.9% and incentives to 50 basis points. Additionally, Transource will forego incentives if costs exceed $210 million. Transource filed an uncontested settlement agreement with FERC on October 2, 2017, which the Maryland Commission did not oppose. FERC approved the uncontested settlement on January 18, 2018.

Transource's applications for CPCNs are still pending before both the Maryland Commission and the Pennsylvania Public Utility Commission.

G. Grid Reliability and Resilience Pricing—FERC Docket No. RM18-1

On October 2, 2017, FERC sought comments to a proposed rule on grid reliability and resilience pricing proposed by the U.S. Department of Energy. The proposed rule would serve to preserve certain generation assets having long-term onsite fuel storage capabilities, such as coal and nuclear plants. On October 23, 2017, the Commission filed comments stating its concern that the proposed rule could erode Maryland's jurisdiction in designating and incentivizing a specific fuel mix within our boundaries. The proposed rule could also impair existing state programs, such as the Regional Greenhouse Gas Initiative and impose significant new costs to Maryland ratepayers. FERC has yet to take action on the proposed rule.

H. Bulk Power System Resilience—FERC Docket No. AD18-7

On January 8, 2018, FERC initiated a proceeding to holistically examine the resilience of the bulk power system. On May 9, 2018, the Maryland Commission joined with the Organization of PJM States, Inc. (OPSI) calling attention to the need for FERC to consider prudency and affordability along with state and local needs and priorities in defining and addressing resilience. The comments also cautioned FERC on concerns of expanding RTOs' authorities to drive resilience programs and investments without a comprehensive examination of their scope, governance and oversight. FERC has yet to take action on this matter.

I. BGE Transmission Rate Revisions—FERC Docket No. ER17-528; *Baltimore Gas and Electric Company v. FERC*, DC Circuit No. 18-1298

On December 13, 2016, BGE filed transmission rate revisions at FERC to provide a mechanism to refund or recover, as appropriate, certain deferred income tax excesses and deficiencies previously recorded and on an ongoing basis. These excesses and deficiencies are associated with previous tax rate changes, certain differences between accounting book value and tax value, and other accounting adjustments. On November 16, 2017, FERC issued an order rejecting BGE's proposed tariff revisions, indicating that utilities do not have unfettered discretion to defer tax amounts on their books for decades without seeking approval for recovery. On December 13, 2017, the Maryland Commission filed at FERC requesting clarification of its order, and requesting that BGE be directed to provide refunds to ratepayers associated with their proposed transmission rate revisions. FERC denied the Maryland Commission's request for clarification. BGE filed a Petition for Review in the District of Columbia Circuit Court of Appeals on November 7, 2018. (Case No. 18-1298). On December 3, 2018, the Maryland Commission intervened in Case No. 18-1298 in order to monitor the Petition for Review proceedings initiated by BGE. A decision by the Court remains pending.

J. New York Independent System Operator (NYISO)-PJM Interregional Agreements—FERC Docket No. EL18-54

On December 22, 2017, the New Jersey Board of Public Utilities (NJBPU) filed a complaint at FERC asking the agency to find that NYISO is leaning upon the PJM system pursuant to interregional agreements that violate PJM tariff provisions with the potential for unjustly impacting PJM ratepayers. On February 6, 2018, the Maryland Commission joined the Pennsylvania and Delaware commissions in filing comments at FERC stressing concern for the level of uncertainty associated with the interregional agreements, further calling attention to potential associated impacts on grid planning and operations, and urging the agency to take actions to resolve the matter. On May 24, 2018, FERC denied the NJBPU complaint. On November 21, 2019, FERC denied NJBPU's request for rehearing.

K. Variable Operations and Maintenance Costs—FERC Docket No. EL19-8

On October 29, 2018, PJM filed proposed changes to its operating agreement allowing generators to reflect major overhaul costs in their offers in either the energy or capacity markets. On November 26, 2018, the Maryland Commission joined OPSI states in requesting FERC to disallow the proposed changes, calling attention to the potential for market manipulation and/or inflated prices in both markets. On December 7, 2018, PJM filed at FERC recommending changes that would require major overhaul costs be reflected only in energy market offers. On April 15, 2019, FERC issued an order agreeing with PJM's proposal to reflect major overhaul cost in energy market offers only.

VIII. PJM INTERCONNECTION, INC. – THE RELIABILITY PRICING MODEL 2022/2023 DELIVERY YEAR BASE RESIDUAL AUCTION RESULTS

The Reliability Pricing Model (RPM) 2022/2023 delivery year base residual auction (BRA), initially scheduled for May 2019, and later rescheduled for August 2019, was delayed pending a FERC decision in State Policies and Wholesale Capacity Markets-FERC Docket Nos. ER18-1314, EL16-149 and EL18-178 (described above). FERC issued an order in December 2019 directing PJM to identify when it would be able to hold the auction given the implications of the new market rules. PJM is expected to provide an auction schedule in March 2020.

PJM conducted the RPM 2021/2022 delivery year base residual auction in May 2018. The 2019/2020 auction was the first auction requiring 100% of cleared capacity be in compliance with PJM's Capacity Performance framework. This framework assesses higher penalties for non-performance compared to base seasonal resources and rewards resources that have not cleared but perform under emergency conditions.

The 2021/2022 BRA cleared sufficient capacity resources in PJM to provide a 22% reserve margin, which is 6.2% higher than the target reserve margin of 15.8%. The total quantity of demand resources cleared in the 2021/2022 BRA increased 42% over the quantity that cleared in the 2020/2021 BRA.

The RTO unconstrained Locational Deliverability Area (LDA), (including the Allegheny Zone) cleared at $140/MW-Day. Clearing prices were approximately 83% higher compared to the 2020/2021 BRA. In LDAs associated with most of Maryland, the Pepco capacity resources cleared at $140/MW-Day, the BGE capacity resources cleared at $200.30/MW-day and DPL-South [Delmarva] resources cleared at $165.73/MW-Day. Clearing prices increased 63% in Pepco, and 133% in BGE and decreased 12% in DPL-South compared to the 2020/2021 BRA. Demand response and energy efficiency resources accounted for 13,958 MW of cleared capacity RTO-wide, with 8.2% of that amount attributed to Pepco, BGE and DPL-South. The auction marked the second time price responsive demand—a mechanism to refine the load forecast by committing demand-side resources to reduce load under high energy price scenarios—served to avoid capacity purchases, amounting to 240 MW, 195 MW and 36 MW in Pepco, BGE and DPL-South, respectively. The auction also provided the opportunity for aggregating seasonal capacity resources, amounting to 715.5 MW RTO-wide.

IX. BROADENED OWNERSHIP ACT

In compliance with § 14-102 of the Economic Development Article, *Annotated Code of Maryland*, entitled the "Broadened Ownership Act," the Commission communicated with the largest gas, electric, and telephone companies in Maryland to ensure that they were aware of this law. The law establishes the need for affected companies to institute programs and campaigns encouraging the public and employees to purchase stocks and bonds in these companies, thus benefitting the community, the economy, the companies, and the general welfare of the State.

The following companies submitted reports outlining various efforts to encourage public and employee participation in the stock purchase program:

(a) **NiSource, Inc**. owns all of the common stock of the NiSource Gas Distribution Group, Inc., which in turn owns all of the common stock of **Columbia Gas of Maryland, Inc**. NiSource, Inc. has two plans to encourage broadened employee stock ownership: the Employee Stock Purchase (ESP) Plan and the NiSource Retirement Savings Plan. In addition, NiSource, Inc. maintains a Dividend Reinvestment and Stock Purchase Plan that broadens stock capital ownership by all stockholders, including employees, by enabling them to reinvest their dividends to acquire additional shares of common stock.

On August 31, 2019, NiSource, Inc. had 373,402,572 shares of its common stock outstanding, of which 209,408 were acquired by employees during the previous 12 months through the ESP Plan and 674,911 through the NiSource Inc. Retirement Savings Plan (for an aggregate total of 884,319). As of August 31, 2019, NiSource, Inc. had approximately 380 registered stockholders with Maryland addresses, holding approximately 144,695 shares of NiSource, Inc. common stock.

(b) As of September 30, 2019, **Exelon Corporation**, the parent of **Baltimore Gas and Electric Company, Potomac Electric Power Company**, and **Delmarva Power & Light Company** reported that 11,589 Maryland residents, representing 12% of Exelon's total registered shareholders, owned 4,953,471 (0.5%) of the outstanding shares of common stock. Of these Maryland shareholders, 5,210 (5%), of Exelon's total registered shareholders owning 1,865,357 (0.2%) of the legal outstanding shares of common stock, were participants in the Direct Stock Purchase Plan.

As of September 30, 2019, 2,595 current or former employees who are Maryland residents held an aggregate of 1,599,941 equivalent shares of Exelon common stock in their 401(k) accounts in the Employee Savings Plan. In addition, 408,952 shares were held by 1,517 current or former employees who are Maryland residents and participate in the Exelon Employee Stock Purchase Plan.

(c) The **Potomac Edison Company** was a wholly-owned subsidiary of Allegheny Energy, Inc. (AE) through February 25, 2011, at which point it became a subsidiary of **FirstEnergy Corporation** (FE). In April 2012, the Allegheny Employee Stock Purchase Plan was merged into the FE Employee Savings Plan (FE Plan). Approximately 93% of FE's employees were contributing to the FE Plan as of December 31, 2018, and 17,727 participants had FE stock as part of their account balance within the FE Plan. As of December 31, 2018, 1,651 Maryland residents held approximately 534,227 shares of FE stock as stockholders of record, which represents approximately 2.0695% of all FE registered stockholders and 0.10435% of all shares. In addition, as of December 31, 2018, four AE stockholders living in Maryland, owning the equivalent of 241 FE shares, had not yet exchanged their AE shares for FE shares.

(d) **Verizon Maryland, LLC** is a wholly owned subsidiary of Verizon Communications Inc. Public stockholder ownership in the Maryland company is obtained through the purchase of Verizon Capital Stock. The Verizon Savings Plan enables employees to purchase stock in Verizon Communications, Inc. As of September 30, 2019, 16,430 Maryland residents held Verizon stock.

X. REPORTS OF THE AGENCY'S DEPARTMENTS/DIVISIONS

A. Office of Executive Secretary *(Andrew S. Johnston, Executive Secretary)*

The Executive Secretary is responsible for the daily operations of the Commission and for keeping the records of the Commission, including a record of all proceedings, filed documents, orders, regulation decisions, dockets, and files. The Executive Secretary is an author of, and the official signatory to, minutes, decisions and orders of the Commission that are not signed by the Commission directly. The Executive Secretary is also a member of a team of policy advisors to the Commission.

The Office of Executive Secretary (OES) is responsible for the Commission's case management, expert services procurement, order preparation, purchasing and procurement, regulation development and coordination, tariff maintenance, the Equal Employment Opportunity Program, operations, fiscal and budget management, the Commission's information technology system including databases, and the official website and intranet website. The OES contains the following divisions:

1. Administrative Division

a. Case Management Unit

The Case Management Unit creates and maintains formal dockets associated with proceedings before the Commission. In maintaining the Commission's formal docket, this unit must ensure the security and integrity of the materials on file, while permitting access to the general public. Included within this security function is the maintenance of confidential/proprietary information relating to the conduct of utility regulation and required compliance with detailed access procedures. During 2019, this unit established 31 new non-transportation-related dockets and processed 2,055 non-transportation-related case items. This unit is also responsible for archiving the formal dockets based on the record retention policies of the Commission.

b. Document Management Unit

The Document Management Unit is responsible for developing the Commission's Administrative Meeting Agenda, the official open meeting action agenda mandated by law. During 2019, this unit scheduled 43 Commission administrative meetings at which 371 administrative items were considered and decided upon pursuant to the Commission's authority. Additionally, this unit is responsible for docketing public conferences held by the Commission. One administrative docket public conference was initiated in 2019. This unit also processed 4,488 filings, including 1,196 memoranda.

c. Regulation Management Unit

This unit is responsible for providing expert drafting consultation, establishing and managing the Commission's rulemaking docket, and coordinating the adoption process with the Secretary of State's Division of State Documents. During 2019, this unit managed four rulemaking dockets that resulted in final adoption of regulation changes to COMAR Title 20 – Public Service Commission, and three rulemaking dockets that remain active.

d. Operations Unit

This unit is responsible for managing the Commission's telecommunications needs and its motor vehicle fleet, as well as being the liaison for building maintenance, repairs and construction needs of the Commission. In addition, this unit is responsible for the Equal Employment Opportunity Program.

2. Fiscal Division

a. Fiscal and Budget Management Unit

This section manages the financial aspects of the daily operations of the Commission. The operating budget totaled $20,255,480 for fiscal year ending June 30, 2019. This budget consisted of $19,641,652 in special funds and $613,828 in federal funds. Included within the normal State functions are several unique governmental accounting responsibilities. The first function allocates the Commission's cost of operation to the various public service companies subject to the Commission's jurisdiction. The second function allocates the budget associated with the Department of Natural Resources' Power Plant Research Program to electric companies distributing electricity to retail customers within Maryland. This section also administers the financial accountability of the Pipeline Safety Program and the Hazardous Liquid Pipeline Safety Program, which are partially reimbursed by the Federal Department of Transportation, by maintaining all associated financial records consistent with federal program rules, regulations, and guidelines requiring additional record keeping.

b. Purchasing and Procurement Management

This section is responsible for expert services procurement and all other procurements required by the Commission as well as the overall control of supplies and equipment. This section is also responsible for agency forms management and record retention management. This section's staff maintained and distributed the fixed and disposable assets, maintained all related records, purchased all necessary supplies and equipment, and coordinated all equipment maintenance. As of June 30, 2019, this section maintained approximately 88 items of disposable supplies and materials totaling $8,146 and fixed assets totaling $2,037,377.

3. Information Technology Division

The Information Technology Division (IT) functions as the technical staff for the Commission's network and computer systems. IT is responsible for computer hardware and software selection, installation, administration, training, and maintenance. IT manages and maintains the content and technical components of the Commission's internal and external websites. In 2019, IT (a) deployed a new Database server/SQL Platform and provisioned PSC's first online SQL Data Source – CM Agenda System; (b) implemented a new firewall system – Sophos, behind which resides the PSC VM Network; (c) designed a new PSC online public comments service; (d) deployed a new PSC network hardware router – replacing obsolete Windows Server bridges; (e) replaced old VM HP P4000 SAN storage system with new HP Nimble Flash Drive technology ; and (f) replaced Live Video Streaming Niagara GoStream Video Encoder/Wowza Server combination with new Epiphan Pearl-2 Base Video Encoder resulting in a simplified, more efficient video streaming system.

B. Consumer Affairs Division *(Casey Brent, Director)*

The Consumer Affairs Division (CAD) investigates and responds to consumer complaints relating to gas, electric, water and telephone services. CAD investigators act as mediators in order to resolve disputes between consumers and utility companies based on applicable laws and tariffs. In 2019, the CAD investigated 2,804 consumer complaints and received 23,224 telephone calls. Of those complaints received, 2,553 involved gas and electric issues, while 184 were telecommunication complaints, 61 complaints related to water companies, and 62 complaints involved other issues. The majority of complaints against gas and electric local distribution companies and supplier complaints concerned billing issues, followed by service quality issues. CAD investigated 724 complaints against suppliers. Most supplier disputes involved unauthorized enrollment, misrepresentation of terms, and increases in price of the variable rate contracts. Through CAD's efforts, Maryland consumers saved $237,737.41 through late payment fees, reversal of charges, and bill adjustments or credits that were given to customers to resolve disputes.

CAD has dedicated five staff members for the Compliance and Enforcement Unit to ensure that utilities and suppliers are adhering to all of the applicable regulations.

CAD staff members work proactively to provide the public with timely and useful utility-related information based on feedback received from consumers as well as continuing to have regular meetings with the utilities to ensure that all parties are responding appropriately and providing accurate information to customer concerns.

C. Office of General Counsel *(H. Robert Erwin, General Counsel)*

The Office of General Counsel (OGC) provides legal advice and assistance to the Commission on questions concerning the jurisdiction, rights, duties or powers of the Commission, defends Commission orders in court, represents the Commission in federal and state administrative proceedings, and initiates and defends other legal actions on the Commission's behalf as needed. OGC also supervises enforcement of the Commission's rules, regulations and filing requirements as applied to utilities, common carriers and other entities subject to the Commission's jurisdiction, and leads or participates in special projects as directed by the Commission.

During 2019, in addition to assisting the Commission in timely adjudicating several utility rate cases, OGC attorneys also assisted the Commission by addressing utility service reliability; applications for development of new electricity generation; development of procedures for cyber security reporting; and an order establishing a multi-year rate plan pilot for Maryland electric and natural gas companies. OGC also routinely provides legal support to the Commission by responding to requests for information pursuant to the Maryland

Public Information Act and by addressing customer complaints related to public service companies.

Below—and in Part VII—is a summary of selected federal and state cases litigated by OGC:

1. *In the Matter of the Petition of Dan's Mountain Wind Force, LLC*, Circuit Court for Baltimore City—Case No. 24-C-17-003715) (PSC Case No. 9413)

On June 16, 2017, in Order No. 88260, the Commission affirmed with further justification the proposed order of the Public Utility Law Judge in Case No. 9413 denying Dan's Mountain Wind Force, LLC a Certificate of Public Convenience and Necessity for construction of a 59.5 MW wind energy generating facility in Allegany County, Maryland. Dan's Mountain petitioned for judicial review of Order No. 88260 alleging the order suffered from errors of law, was arbitrary and capricious in light of the Commission's decisions on other projects, and ignored substantial evidence as to the benefits of the project. Oral argument was held on January 12, 2018.

On October 25, 2019, the Court entered a Memorandum Opinion and Order affirming the Commission.

2. *Board of County Commissioners of Washington County, Maryland v. Perennial Solar, LLC*, Court of Appeals of Maryland—COA-REG-0066-2018

On April 17, 2019, the Commission filed an amicus brief with the Maryland Court of Appeals, arguing in support of the Court of Special Appeals decision—holding that § 7-207 of the Public Utilities Article, *Annotated Code of Maryland* preempts local land use authority over the siting of electrical generation facilities of a certain capacity—and holding that the Commission had exclusive authority in that domain.

On July 15, 2019, the Court of Appeals issued its decision, upholding the decision of the Court of Special Appeals.

3. *Petition for Judicial Review of Order No. 87891 and 87994 in the Matter of a Request by Baltimore Gas and Electric Company for Recovery of Standard Offer Service Related Cash Working Capital Revenue Requirement*, Circuit Court for Baltimore City—Case No. 24-C-12-00893 (PSC Case No. 9221)

On November 17, 2016, the Commission issued Order 87891 revising the Standard Offer Service administrative charge to allow BGE to collect a charge for the company's cash working capital cost. OPC filed a petition for rehearing on the issue. On January 24, 2017, the Commission denied OPC's rehearing request. OPC filed a petition for judicial review in the Circuit Court for Baltimore City.

On August 7, 2017, the Court affirmed the Commission's decision. OPC filed a notice of appeal with the Maryland Court of Special Appeals. The Court heard oral argument on October 10, 2018. A decision by the Court remains pending.

4. *New Frontiers Telecommunications, Inc. v. Verizon*, Circuit Court for Washington County—Case No. C-21-CV-18-000617 (PSC Case No. 9452)

On September 7, 2018, New Frontiers Telecommunications, Inc. sought judicial review of Commission Order No. 88793 dismissing New Frontiers' complaint against Verizon Maryland LLC, alleging that Verizon's billing and dispute practices were unreasonable and unjustly burdensome. New Frontiers also requested that the court stay and remand the Commission's order to permit the petitioner the opportunity to present new evidence. Verizon and the Commission both opposed New Frontiers' request to stay, and filed answering memoranda in response to New Frontiers' petition. The Commission further requested that should the Court grant a stay, New Frontiers should be required to post a bond in order to assure payment of the substantial unpaid charges claimed by Verizon in the event New Frontiers' petition is unsuccessful.

On April 26, 2019, the Court entered an order affirming the Commission. The Court denied New Frontiers' motion to alter or amend on June 19, 2019.

5. *In the Matter of Petition of the Maryland Office of People's Counsel*, Circuit Court for Baltimore City—Case No. 24-C-18-005476 (PSC Case No. 9455)

On October 4, 2018, the Maryland Office of People's Counsel sought judicial review of the Commission's September 5, 2018 letter order permitting Delmarva Power & Light Company (DPL) to adjust its rates to recover the revenue requirement approved by the Commission in Order No. 88567 as opposed to a lesser amount submitted by DPL pursuant to incorrect tariff sheets accompanying the company's compliance filing. On February 26, 2020, the Court entered an order affirming the Commission.

6. *In the Matter of Petition of the Maryland Office of People's Counsel*, Circuit Court for Baltimore City—Case No. 24-C-18-006881 (PSC Case No. 9480)

On December 12, 2018, the Maryland Office of People's Counsel (OPC) sought judicial review of the Commission's November 21, 2018 order—affirming the proposed order of the Public Utility Law Judge—allowing cost recovery by Columbia Gas of Maryland related to environmental remediation at Columbia's

Cassidy Property in Washington County, Maryland. On May 21, 2019, the Court entered a Memorandum Opinion and Order affirming the Commission. OPC has appealed the Circuit Court's decision to the Maryland Court of Special Appeals, where the matter is now pending.

7. ***In the Matter of Petition of Frederick County, Maryland*, Circuit Court for Baltimore City—Case No. 24-C-18002189 (PSC Case No. 9429)**

On April 12, 2018, Frederick County, Maryland sought judicial review of the Commission's March 23, 2018 order—affirming the proposed order of the Public Utility Law Judge—granting a Certificate of Public Convenience and Necessity to LeGore Bridge Solar Center, LLC, authorizing the construction of a 20MW solar photovoltaic generating facility in Frederick County, Maryland. On July 17, 2019, the Court entered an order affirming the Commission.

Frederick County has appealed the Circuit Court's decision to the Maryland Court of Special Appeals, where the matter is now pending.

8. Consumer Complaint Decisions on Appeal

After adjudicating numerous consumer complaints, the Commission responded to several Circuit Court appeals. The consumer complaint matters on appeal that closed in 2019 are as follows:

a. ***Altschuld v. Baltimore Gas and Electric Company*, Circuit Court for Anne Arundel County—Case No. C-02-CV-18-001884**

On June 28, 2018, Glenn Altschuld sought judicial review of the Commission's order dismissing his complaint against Baltimore Gas and Electric Company (BGE), contesting the company's authority to replace complainant's analog meter with a digital Electronic Receiving Transmitter (ERT) meter. On July 29, 2019, the Court entered an order affirming the Commission.

b. *Pascalev v. Potomac Electric Power Company*, Circuit Court for Montgomery County—Case No. 455206-V

On September 21, 2018, Mario Pascalev sought judicial review of the Commission's order dismissing his complaint against Potomac Electric Power Company, opposing the company's imposition of an opt-out fee upon ratepayers who choose not to have a smart meter installed in their homes. On July 16, 2019, the Court entered an order affirming the Commission.

c. *Breau v. Delmarva Power & Light Company*, Circuit Court for Baltimore City—Case No. 24-C-19001419

On March 7, 2019, Michelle Breau sought judicial review of the Commission's order dismissing her complaint against Delmarva Power & Light Company, challenging the company's procedures for processing paper checks using electronic funds transfer procedures and other failing to take appropriate security measures to prevent unauthorized access to her account once the account was closed. On August 6, 2019, the Court entered an order affirming the Commission.

d. *Bernadzikowski v. Baltimore Gas and Electric Company*, Circuit Court for Baltimore City—Case No. C-02-CV-19001585

On March 7, 2019, Timothy Bernadzikowski sought judicial review of the Commission's order dismissing his complaint against Baltimore Gas and Electric Company, challenging the company's installation of a bollard on his property to protect an outdoor gas meter. On November 12, 2019, the Court entered an order affirming the Commission.

e. *Owens v. Baltimore Gas and Electric Company*, Circuit Court for Baltimore City—Case No. C-02-CV-19001585

On October 3, 2018, Apriel Owen sought judicial review of the Commission's order dismissing her complaint against Baltimore Gas and Electric Company, challenging the company's termination of service as non-compliant with Code of Maryland Regulations 20.31.03.03. On May 30, 2019, the Court entered an order affirming the Commission.

f. *Baroody v. Ambit Energy*, Circuit Court for Baltimore City—Case No. 24-C-19-000905

On February 25, 2019, Neal Baroody sought judicial review of the Commission's order dismissing his complaint against Ambit Energy, challenging the automatic renewal of his retail electricity supply contract under COMAR 20.53.07.08D(1). On July 17, 2019, the Court entered an order affirming the Commission.

g. *Richardson v. Potomac Electric Power Company*, Circuit Court for Prince George's County—Case No. CAL19-18015

On May 30, 2019, Donald Richardson sought judicial review of the Commission's order dismissing his complaint against Potomac Electric Power Company (Pepco), challenging the accounting relied on by Pepco in calculating a part of his electric bill. On October 21, 2019, the Court entered an order affirming the Commission.

D. Office of the Executive Director (*Anthony Myers, Executive Director*)

The Executive Director and two Assistant Executive Directors supervise the Commission's Technical Staff. The Executive Director's major supervisory responsibility consists of directing and coordinating the work of the Technical

Staff relating to the analysis of utility filings and operations, the presentation of testimony in Commission proceedings, and support of the Commission's regulatory oversight activities. The Executive Director supervises the formulation of Staff policy positions and serves as the liaison between Staff and the Commission. The Executive Director is also the principal contact between the Staff and other state agencies, commissions and utilities.

1. Accounting Investigations Division (*Jamie Smith, Director*)

The Accounting Investigations Division is responsible for auditing utility books and records and providing expertise on a variety of accounting, taxation and financial issues. The Division's primary function includes developing utility revenue requirements, auditing fuel costs, auditing the application of rates and charges assessed by utilities, monitoring utility earnings, examining the effectiveness of cost allocations, analyzing the financial integrity of alternative suppliers seeking licenses to provide services, and assisting other divisions and State agencies. Historically, Accounting Investigations has also been responsible for project management of Commission-ordered utility management audits. Accounting Investigations personnel provide expertise and guidance in the form of expert testimony, formal comments on utility filings, independent analyses on specific topics, advisory services and responses to surveys or other communication with the Commission. Accounting Investigations keeps up to date with the most recent changes in accounting pronouncements and tax law, and applies its expertise to electric, gas, telecommunications, water, wastewater, taxicabs, maritime pilots, and toll bridge matters.

During 2019, the Accounting Investigations Division's work responsibilities included assisting other divisions, conducting audits of utility fuel programs and other rate adjustments, ongoing evaluation of utility base rates, STRIDE rates, and providing appropriate analysis of utility filings and rate initiatives. Division personnel provided expert testimony and recommendations relating to the performance of ongoing audits of 15 utility fuel programs and 11 other rate adjustments, and provided appropriate analysis and comment with respect to 143 filings submitted by utilities. In addition, Division personnel participated in approximately six formal proceedings and a number of special assignments.

2. Electricity Division

The Electricity Division conducts economic, financial and policy analyses relevant to the regulation of electric utilities, electricity retail markets, low income concerns, and other related issues. The Division prepares the results of these analyses in written testimony, recommendations to the Commission, and various reports. This work includes: retail competition policy and implementation related to restructuring in the electric utility industry, rate of return on equity and capital structure, pricing structure and design, load forecasting, low income customer policy and statistical analysis, consumer protection regulations, consumer education, codes of conduct, mergers, and jurisdictional and customer class cost-of-service determinations. The Division's analyses and recommendations may appear as expert testimony in formal proceedings, special topical studies requested by the Commission, leadership of or participation in workgroup processes established by the Commission, or formal comments on other filings made with the Commission.

As part of rate proceedings, the Division's work lies in three main areas: rate design, the setting of electricity prices to recover the cost (as annual revenue) of providing service to a specific class of customers (*e.g*., residential); cost of service studies, the classification of utility operating costs and plant investments and the allocation of those costs to the customer classes that cause them; and cost of capital, the financial analysis that determines the appropriate return to allow on a utility's plant investment given the returns observed from the utility industry regionally and nationally.

In addition to traditional rate-of-return expertise, the Electricity Division maintains technical and analytical professionals whose function is to identify and analyze emerging issues in Maryland's retail energy market. Division analysts research methods of electricity procurement, retail energy market models, energy and natural resource price trends, annual electricity cost data, renewable energy issues, economic modeling of electricity usage, and other areas that reflect characteristics of electricity costs. During 2019**,** the Electricity Division's work included expert testimony and/or policy recommendations in approximately 60 administrative proceedings, five formal proceedings and four rate cases. In addition to traditional regulatory analysis, Electricity Division personnel facilitated and participated in several stakeholder working groups covering net energy metering, community solar, retail market electronic data exchange, retail market supplier coordination, electric vehicles, electric rates, multi-year rate plans, and

Baltimore Gas and Electric Company's prepaid pilot program. The Electricity Division was also tasked with evaluation of legislation on renewable energy programs, community solar, retail choice, and alternative rate regulation.

3. Energy Analysis and Planning Division *(Daniel Hurley, Director)*

The Energy Analysis and Planning Division (EAP) is primarily responsible for evaluating and reporting to the Commission on the results of advanced meter infrastructure (AMI) deployment and the EmPOWER Maryland energy efficiency and demand response programs, which are operated by the electric utilities in accordance with the EmPOWER Maryland legislation.

Division members have analytical and/or oversight responsibilities on a wide range of subjects: energy efficiency and demand response programs, regional power supply and transmission planning through participation in PJM working groups and committees, advanced metering infrastructure and smart grid implementation, the SOS competitive solicitations, the wholesale energy markets focusing on prices and availability, Maryland's renewable energy portfolio standard, wholesale market demand response programs, applications for retail natural gas and electricity suppliers, applications for community solar projects and applications for small generator exemptions to the CPCN process.

During 2019, EAP was directly responsible or involved in several significant initiatives including:

- EmPOWER Maryland
    - Preparing semi-annual reports for the utilities' energy efficiency and demand response programs.

    - Assisting in the development of the Commission's annual EmPOWER Maryland report to the General Assembly.
    - Direct oversight of the evaluation, measurement and verification process of an independent evaluator, producing annual impact and cost-effectiveness evaluation.
    - Conducting work groups related to the 2018-2020 EmPOWER Maryland energy efficiency and demand response plans.
    - Reviewing the annual EmPOWER Maryland surcharge filings for cost recovery of the EmPOWER Maryland programs.
- AMI/Smart Meters
    - Monitoring the quarterly Smart Grid metric reports prepared by BGE, Pepco, DPL and SMECO.
- Preparing the *Ten-Year Plan (2019-2028) of Electric Companies in Maryland*.
- Preparing the *Renewable Energy Portfolio Standard Report of 2018*.
- Monitoring several PJM committees and work groups.
- Monitoring the SOS procurement processes to ensure they were conducted according to codified procedures consistent with the Maryland restructuring law.
- Continuing to work with electricity and natural gas suppliers to bring retail choice to the residential and small commercial markets.
- Participating in NARUC activities.

4. Engineering Division (*John Borkoski, Chief Engineer*)

The Commission's Engineering Division monitors the operations of public service companies for safety, efficiency, reliability and quality of service. The Division's primary areas of responsibility include electric distribution and transmission, gas and electric metering, private water and sewer distribution systems, certification of solar renewable energy facilities, and natural gas and hazardous liquid pipeline safety.

In 2019, the Engineering Division continued its monitoring and review of the utilities' implementation of the Commission's electric distribution system service quality and reliability regulations found in the Code of Maryland Regulations (COMAR) 20.50.12. To set the next cycle of these service quality and reliability standards, the Engineering Division coordinated analysis work with the utilities that culminated in a RM67 rulemaking session on June 19. A final RM67 rulemaking session was held on Wednesday, November 6, 2019 and the proposed regulations were approved. The effective date of the new regulations was December 2, 2019.

By April 1 of every year, the utilities file their annual reliability reports for the previous year.[25] The Engineering Division reviewed each of the reports and provided the Commission with its analysis and recommendations in a hearing on the annual review of reliability reports filed in Case No. 9353—Reliability & Service Quality Standards on June 20, 2019. The Engineering Division also reviews and provides recommendations on any utility corrective action plans (CAPs) outlining how the utilities expect to meet reliability targets in the future when the reliability targets have been missed in the previous year. The Commission issued Order No. 89260 on September 6, 2019, approving the annual utility filings and CAPs, among other things. The Commission also approved the disbandment of the Vegetation Management and Poorest Performing Feeder workgroups led by the Engineering Division as both workgroups completed their missions. Another directive of Order No. 89260

[25] *See* Section IV, Subsection C.1 (Review of Annual Performance Reports on Electric Service Reliability Filed Pursuant to COMAR 20.50.12.11 – Case No. 9353). Case No. 9353 was originally opened in May 2014 for the purpose of reviewing the annual reliability performance reports first filed for calendar year 2013.

required Staff to convene a Customer Communication Workgroup (CCWG) and file a timeline in 60 days for returning to the Commission with recommendations. The CCWG, led by the Engineering Division, was formed and filed a response for a timeline recommendation on November 5, 2019. The CCWG is currently assembling customer communication best practices recommendations.

The Engineering Division was involved in four significant CPCN applications in 2019 that were not PV solar system CPCN applications:

- CP Crane Modification of the Charles P. Crane Generating Station in Baltimore County—Case No. 9482
- Potomac Edison Company Modification of the Ringgold-Catoctin Transmission Line in Frederick and Washington Counties—Case No. 9470
- Transource Maryland LLC Construction of Two New 230 kv Transmission Lines Associated with the Independence Energy Connection Project in Portions of Harford and Washington Counties—Case No. 9471
- Baltimore Gas and Electric Company Key Crossing Reliability Initiative Transmission Line Project—Case No. 9600

The Commission received approximately 8,896 applications for in-state photovoltaic (PV) Solar Renewable Energy Credits (SRECs) and approved SRECs for approximately 228 MW of solar power in 2019, as compared to 6,918 applications for 205 MWs in 2018.

Electric utilities in Maryland purchase SRECs generated in Maryland to comply with the Renewable Portfolio Standard (RPS). The Commission's Energy Analysis and Planning Division files annual RPS compliance reports. A registry of Renewable Energy Credits (RECs) is also maintained in the PJM Generator Attribute Tracking System Environmental Information Service (GATS-EIS).

Most solar PV systems approved have been small residential installations ranging in size from 1 kW to 20 kW. The Engineering Division and PPRP provide testimony for systems larger than 2 MWs, systems which could also qualify for a CPCN exemption. Projects less than 2 MWs do not need to file for a CPCN with the Commission. Maryland counties have played an increasing role in these cases with zoning restrictions for the large solar projects. There have also been projects applying for the Community Solar Pilot Program governed by COMAR 20.62. There have been approximately 50 solar CPCN cases filed since 2011. Some are built for energy sales into the PJM market, and others are net-metered energy with facilities such as hospitals, schools, prisons, college campuses and other government facilities. The Engineering Division was involved in reviewing the following CPCN cases for solar projects in 2019:

- Case No. 9408—Perennial Solar, LLC CPCN—8.0 MW solar photovoltaic generating facility in Washington County (in progress)
- Case No. 9439—Biggs Ford—15 MW solar photovoltaic generating facility in Frederick County (in progress)
- Case No. 9450—Casper Solar Center, LLC CPCN—36.70 MW solar photovoltaic generating facility in Queen Anne's County (applicant withdrew)
- Case No. 9469—Energy Ventures—10 MW solar photovoltaic generating facility in Prince George's County (in progress)
- Case No. 9477—Cherrywood Solar—202 MW solar photovoltaic generating facility Caroline County (completed)
- Case No. 9483—Citizens UB Solar—9.9 MW solar photovoltaic generating facility in Carroll County (in progress)
- Case No. 9495—Kieffer Funk—11.8 MW solar photovoltaic generating facility in Washington County (completed)
- Case No. 9496—Bluegrass Solar—80 MW solar photovoltaic generating facility in Queen Anne's County (completed)
- Case No. 9499—Morgnec Road—45 MW solar photovoltaic generating facility in Kent County (in progress)
- Case No. 9608—Spectrum Solar—5.6 MW solar photovoltaic generating facility in Prince Georges County (in progress)
- Case No. 9620—Lightsource Renewable—20 MW solar photovoltaic generating facility in St. Mary's County (in progress)

In compliance with the Maryland Offshore Wind Energy Act of 2013, the Commission conditionally approved the financing of two offshore wind projects in Case No. 9431 in 2017. According to COMAR 20.61.06, the projects will be funded with offshore wind renewable energy credits (ORECs). U.S. Wind Inc. plans to construct 248 MW approximately 14 miles off the coast of Ocean City, Maryland. The commercial operation date for U.S. Wind has been extended from 2021 to 2024. Skipjack Offshore Energy, LLC plans 120 MW off the coast of Delaware with an expected commercial operation date in 2022. Both companies are required to maintain offshore lease sites through the federal Bureau of Ocean Energy Management. Both projects expect to now use larger turbines up to 12 MWs. The Engineering Division provided comments to the Commission on these larger turbine sizes in 2019 in Case No. 9431. This case was subsequently bifurcated in 2019 into separate cases: Case No. 9628 for U.S. Wind and Case No. 9629 for Skipjack.

The Commission docketed Case No. 9618 and initiated a Public Conference 51 (PC51) to explore Alternative Forms of Rate Making. In the PC51 Workgroup, the Engineering Division proposed various process and filing requirements for multi-year rate plans which were included in the PC51 Workgroup Implementation Report filed with the Commission on December 20, 2019. The Engineering Division will continue in the PC51 Workgroup to develop a performance-based rates process and filing requirements in 2020.

The Engineering Division participated in the following rate cases that were either completed or initiated in 2019:

- Case No. 9484—BGE Gas Rate Case—Final Order issued January 4, 2019
- Case No. 9490—PE Electric Rate Case—Final order issued on February 6, 2019
- Case No. 9487—Maryland-American Water Company Water Rate Case—Final order issued on February 6, 2019
- Case No. 9602—Potomac Electric Power Company Electric Rate Case—Final Order issued August 12, 2019
- Case No. 9605—Washington Gas Light Company Gas Rate Case—Final Order issued October 15, 2019
- Case No. 9610—BGE Gas & Electric Rate Case—Final order issued December 17, 2019
- Case No. 9609—Columbia Gas Company Rate Case—Final Order issued December 18, 2019
- Case No. 9630—Delmarva Power & Light Company Electric Rate Case (in progress)

The Engineering Division participates in the Maryland Emergency Management Agency's (MEMA) emergency preparedness and response efforts. Engineering and the Maryland Energy Administration (MEA) are jointly responsible for leading MEMA's Power Infrastructure Strategic Coordinating Function (SCF) for utility coordination related to electric service outages and fuel supply coordination during fuel disruptions. Staff participates in state-wide emergency training sessions, drills, and coordination meetings; updating the agency's MEMA Event Manual that outlines the Power Infrastructure SCF contacts and procedures for staffing the MEMA State Emergency Operations Center (SEOC); and participating in the MEMA Joint Operations Group conference calls responsible for establishing situational awareness and initial management and coordination during emergent situations prior to activation of the SEOC. Whenever the SEOC raises the state response activation level requiring either partial activation or full activation of the SCF, the Engineering Division Staff coordinates sufficient staff coverage with MEA for the SEOC. In

2019, Staff participated in the MEMA Disaster Risk Recovery Work Group and MEMA re-accreditation activities. Among other drills, the Engineering Division also participated in the Grid-EX V two-day utility resiliency exercise as part of a National Governor's Association grant awarded to Maryland and three other states for the purpose of producing a report. This report, expected to be published in 2020, will describe lessons learned and action plans from the Grid-Ex V exercise.

Maryland House Bill 1491, signed by Governor Larry Hogan on May 8, 2018, required that "on or before January 15, 2019, the Commission shall report the findings of the study [to assess the feasibility of transitioning master meters installed and used for gas and electric to energy allocation systems or submeters in apartment buildings or complexes, condominiums, and housing cooperatives] to the General Assembly, in accordance with § 2–1246 of the State Government Article." To perform this study, the Engineering Division retained DNV GL Energy Insights, an expert consulting firm on submetering conversions. Study results that were directly responsive to House Bill 1491 requirements were sent to the General Assembly on January 15, 2019.

Members of the Engineering Division take an active role in public outreach, communicating with homeowners associations, community groups, and legislators on a variety of electric distribution and safety issues. In 2019, the Engineering Division continued to investigate several engineering-related customer complaints referred by the Commission's Consumer Affairs Division.

The Engineering Division continues to advise the Commissioners through written comments for Administrative hearings on various engineering matters filed with the Commission or in Commissioner Meetings for various compliance filings. In 2019, the subject of these various filings requiring comments for the Engineering Division included: (1) STRIDE[26] annual reports and reconciliations, STRIDE project lists and surcharge calculations, and mid-year status update on the STRIDE projects; (2) major outage event reports; (3) CPCN waiver filings; (4) operations and maintenance report revisions; (5) distribution transformer reports; (6) contact voltage reports; (7) a request for a waiver for major storms; (8) utility corrective action plans (CAPs); (9) requests to extend CPCN deadlines, requests for CPCN modifications, and requests to approve CPCN decommissioning plans; (10) emergency operations plans; (11) an energy allocation system; (12) a submeter approval; and (13) electric distribution investment surcharge filings and other administrative matters.

Six electrical accident reports were filed with the Engineering Division in 2019. One accident in September 2017 that resulted in a fatality in Delmarva Power & Light Company's (DPL) service territory was subsequently docketed by the Commission as Case No. 9493. Order No. 89207 was issued July 22, 2019 accepting DPL's CAP associated with the accident, among other things.

The Engineering Division continues to lead the Cyber-Security Reporting Workgroup. The Commission established Case No. 9492 for Cyber-Security

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[26] Strategic Infrastructure Development and Enhancement programs enabled by Section 4-210 of the Public Utilities Article, *Annotated Code of Maryland.*

Reporting of Maryland Utilities, and on February 4, 2019 issued Order No. 89015 that requires triennial cyber-security briefings that apply to utilities with more than 30,000 customers. In 2019, two utilities completed briefings with the Commission on cyber-security as required by the order.

The Engineering Division continues to lead the PC44 Interconnection Workgroup. Phase II of the PC44 Interconnection Workgroup's efforts culminated in Rulemaking 68 on September 18, 2019, to codify improvements to the small generator interconnection process along with the adoption of hosting capacity and smart inverter requirements, among other things. These new regulations are expected to be finalized in the first quarter of 2020. Phase III of the PC44 Interconnection Workgroup’s efforts will continue through 2020 to further explore, among other things, interconnection upgrade cost allocation methodologies, smart inverter communication and smart inverter setting standards.

In 2018, BGE, Columbia Gas, and Washington Gas & Light (WGL) reapplied for their second iteration of STRIDE in Case No. 9468 (BGE), Case No. 9486 (WG), and Case No. 9479 (Columbia Gas). All three companies were approved to continue with STRIDE programs from 2019–2023, subject to certain conditions. The Engineering Division’s Pipeline Safety Group participated in the review of the plans for the Commission and is currently monitoring the companies’ progress in the implementation of each of the plans.

In 2019, the Engineering Division’s Pipeline Safety Group continued inspection of jurisdictional gas and hazardous liquid pipeline operators to ensure compliance with applicable pipeline safety regulations. Additionally, in 2019, the Engineering Division's Pipeline Safety Group conducted two incident investigations—a third-party excavation damage to a WGL 12-inch gas main, and a commercial building gas explosion in BGE's service territory.

The first event occurred on February 26, 2019, at 820 Capital Center Boulevard in Largo, Maryland, involving WGL's facilities and was therefore jurisdictional to the Commission. A contractor working in the area struck a 12-inch plastic gas main which resulted in a leak and a subsequent outage of 786 residential customers.

The second event occurred on August 25, 2019, at 8865 Stanford Boulevard in Columbia, Maryland, involving BGE's facilities and was therefore jurisdictional to the Commission. This event is currently still under investigation.

On August 17, 2016, the National Transportation Safety Board (NTSB) launched an investigation of the August 10, 2016 explosion and fire that occurred in the four-story Flower Branch apartment building at 8701 Arliss Street in Silver Spring (Montgomery County), Maryland. An adjacent apartment building at 8703 Arliss Street was also heavily damaged by the fire. The accident resulted in seven fatalities. Sixty-five civilians were transported to local medical facilities and three firefighters sustained minor injuries. On April 23, 2019, the NTSB held a Board meeting to determine the probable cause, findings and recommendations. The NTSB issued its final accident report on June 10, 2019. The PSC Engineering Division participated in this NTSB investigation. Subsequently, on

September 5, 2019, the Commission docketed Case No. 9622[27] to further consider the matter. This case continues into 2020.

Annually, the Engineering Division's Pipeline Safety Program is audited by the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the U.S. Department of Transportation, as part of its agreement with the PHMSA. The Commission's senior pipeline and hazardous liquid safety engineers must be fully trained for their roles by PHMSA for enforcement of federal pipeline safety regulations within the State. The Engineering Division was able to add a pipeline safety engineer in 2019 who is currently undergoing this PHMSA training. The audit is conducted by PHMSA to ensure that the Engineering Division's Pipeline Safety Group is conducting inspections of its jurisdictional operators according to PHMSA's State Guidelines and the Pipeline Safety Group's own procedures. In 2019, the Pipeline Safety Group was audited on its CY2018 inspections—the Group received a score of 96.8% for its State Gas Program and 100% for its State Hazardous Liquids Program.

The Pipeline Safety Group was active throughout the state conducting routine pipeline safety inspections as well as evaluating the progress of mitigation of leaks caused by failed mechanical gas couplings in Prince George's County, and monitoring the progress of Sandpiper Energy, formerly Eastern Shore Gas, in the conversion of its distribution system from propane to natural gas.

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[27] In the Matter of an Investigation of Washington Gas and Light Company Regarding a Building Explosion and Fire in Silver Spring, Maryland, on August 10, 2016.

Miscellaneous Engineering Division inspection and testing activities in 2019 included:

- 13 referee tests for electric meters
- 6 referee tests for gas meters
- 21 meter shops inspected (2019 target - 21)
- 19 jurisdictional water and sewage company inspections (2019 target - 20)
- 8 electric company operations and maintenance inspections (2019 target - 8)
- 19 days PHMSA hazardous liquids inspections (2019 target - 15 days)
- 526.4 days PHMSA gas inspections (2019 Target - 411 days)

5. **Staff Counsel Division** (*Leslie Romine, Staff Counsel*)

The Staff Counsel Division directs and coordinates the preparation and presentation of the Technical Staff's position in all matters pending before the Commission, under the supervision of the Executive Director. In performing its duties, the Staff Counsel Division identifies issues in public service company applications, and evaluates the applications for legal sufficiency and compliance with the Public Utilities Article of the *Annotated Code of Maryland*, the Code of Maryland Regulations, utility tariffs and other applicable law. In addition, the Staff Counsel may support Staff in initiating investigations or complaints. The Staff Counsel Division attorneys are the final reviewers of the Technical Staff's testimony, reports, proposed legislation analysis, and comments before submission to the Executive Director. Additionally, the attorneys draft and coordinate the promulgation and issuance of regulations, review and comment on items handled administratively, provide legal services to each division within the Office of Executive Director, and handle inquiries from utilities, legislators, regulators and consumers.

During 2019, Staff Counsel attorneys participated in a wide variety of matters involving all types of public service companies regulated by the Commission. The Staff Counsel Division's work included review of rates charged by public service companies, consideration of numerous requests for CPCNs, review of SOS matters, telecommunications proceedings, supplier issues, merger proceedings, taxi matters and electric reliability matters. The Staff Counsel Division also was involved in a variety of efforts intended to address the EmPOWER Maryland Act of 2008, smart meter proceedings and the continued implementation of the Maryland RPS Program.

6. Telecommunications, Gas, and Water Division (*Juan Alvarado, Director*)

The Telecommunications, Gas, and Water Division assists the Commission in regulating the delivery of wholesale and retail telecommunications services, retail natural gas services, and water services in the state of Maryland. The Division's output generally constitutes recommendations to the Commission, but also includes publication of industry status reports, responses to inquiries from elected officials, media representatives, members of the public, and industry stakeholders. In addition, similar to other Technical Staff divisions, this Division assists the Commission's Consumer Affairs Division in the resolution of consumer complaints, on an as-needed basis, and leads or participates in industry workgroups. The Division's analyses and recommendations to the Commission may appear as written comments, expert testimony in formal proceedings, special topical studies requested by the Commission, formal comments on filings submitted by the utilities or by other parties, comments on proposed legislation, proposed regulations and public presentations.

In 2019, the Division reviewed 72 tariff filings, including rate revisions, new service offerings and related matters. Of those, 36 were telecommunications, 34 were natural gas, and two were water. The Division also presented testimony in seven cases before the Commission. Staff participated in three natural gas base rate proceedings and four natural gas purchased gas adjustment charge proceedings.

In telecommunications, the Division reviews applications for authority to provide telephone services from local and intrastate toll service providers, reviews tariff filings from such providers, monitors the administration of telephone numbering resources for the state, is responsible for reviewing Federal Communications Commission compliance filings filed by carriers, administers the certification of all payphone providers in the state, and monitors the provision of low income services, E911 (Enhanced 9-1-1) and telecommunications relay services. In 2019, the Commission authorized four new carriers and certified 18 payphone service providers and 444 payphones in Maryland.

In the natural gas industry, the Division focuses on retail natural gas competition policy and implementation of customer choice. The Division participates as a party in contested cases before the Commission to ensure that safe, reliable and economical gas service is provided throughout the State. Staff contributes to formal cases by providing testimony on rate of return, capital structure, rate design and cost of service. In addition, the Division provides recommendations on low-income consumer issues, consumer protections, consumer education, codes of conduct, mergers, and debt and equity issuances. The Division also conducts research and analysis on the procurement of natural gas for distribution to retail customers. In 2019, Staff participated in a public conference and formal proceeding before the Commission regarding alternative forms of regulation for natural gas and electric utilities, which ultimately resulted in a working group for the implementation of multi-year rate plans and performance-based rates. Additionally, Staff participated in a working group tasked with drafting regulations for the implementation of supplier consolidated billing.

In the water industry, the Division focuses on retail prices and other retail issues arising in the provision of safe and economical water services in the state.

Finally, the Division provides assistance to other divisions, particularly in matters of statistical analysis and economic policy.

7. Transportation Division (*Christopher Koermer, Director*)

The Transportation Division enforces the laws and regulations of the Public Service Commission pertaining to the safety, rates and service of transportation companies operating in intrastate commerce in Maryland. The Commission's jurisdiction extends to most intrastate for-hire passenger carriers by motor vehicle (total 1,138), intrastate for-hire railroads, as well as taxicabs in Baltimore City, Baltimore County, Charles County, Cumberland, and Hagerstown (total 1,391). The Commission is also responsible for licensing drivers (total 5,498) of taxicabs in Baltimore City, Charles County, Cumberland, and

Hagerstown, and other passenger-for-hire vehicles that carry 15 or fewer passengers (not including transportation network operators). The Commission is also responsible for regulating Transportation Network Operators (TNOs) that provide transportation network services (total 245,823). The Transportation Division monitors the safety of vehicles operated (total 4,569 non-TNO vehicles and 285,982 TNO vehicles), limits of liability insurance, schedules of operation, rates, and service provided for all regulated carriers, except railroads (only entry, exit, service and rates are regulated for railroads that provide intrastate service). If problems arise in any of these areas which cannot be resolved at the staff level, the Division requests the institution of proceedings by the Commission which may result in the suspension or revocation of operating authority or permits, or the institution of civil penalties.

During 2019, the Commission approved four additional entities to operate as a Baltimore City taxicab association and authorized two existing Baltimore City taxicab associations to close operations. The Commission approved Freedom Services LLC's request to operate a Baltimore City taxicab association at the Administrative Meeting held on June 19, 2019. At the Administrative Meeting held on July 31, 2019, the Commission approved the requests of Checker Cab Assoc., Inc., Yellow Cab Assoc., Inc., and WHC BAL ASSOCIATION, LLC t/a zTrip Association to operate a Baltimore City taxicab association. At the same Administrative Meeting, the Commission approved requests to close the existing Checker Cab Association, Incorporated and Yellow Cab Association, Inc.

Also during 2019, the Commission suspended the transportation network operator (TNO) license of 229 drivers as a direct result of the passage of Senate Bill 97, which amended PUA § 10–404(h)(2) to include disclosure of licensed transportation network operators to the Child Support Administration of the Maryland Department of Human Services on a quarterly basis.

The Transportation Division continued to enforce the regulations that became effective in February 2018 as a result of Rule Making 58, *Revisions to COMAR 20.90 – Taxicabs,* and Rule Making 60, *Revisions to COMAR 20.90 and COMAR 20.95 – Screening Standards.*

During 2019, the Transportation Division continued to conduct vehicle inspections and report results via on-site recording of inspection data and electronic transmission of that information to the Commission's databases and to the Federal Motor Carrier Safety Administration's Safety and Fitness Electronic Records (SAFER) System. SAFER provides carrier safety data and related services to the industry and the public via the Internet.

Additionally, the Division maintained its regular enforcement in 2019 through field investigations and joint enforcement projects with local law enforcement officials, Maryland Motor Vehicle Administration (MVA) investigators, and regulators in other jurisdictions. Administratively, the Division continued to develop, with the Commission's IT staff, projects designed to streamline processes through automation, electronic filings by the industry, and better intra-agency communication among the Commission's internal databases, such as fine-tuning an electronic TNO application process and an investigators' database. Additional enhancements in 2019 included an electronic data transfer of digital photos of licensed Maryland drivers from the MVA's database to the Commission's databases. The use of MVA driver license photos for passenger for-hire drivers greatly benefits the industry by eliminating the need for an applicant to travel to the Transportation Division's office to be photographed. This ultimately saves the applicant valuable time and any associated expenses.

E. Public Utility Law Judge Division *(Ryan C. "Chuck" McLean, Chief Public Utility Law Judge)*

As required by the Public Utilities Article, the Division is a separate organizational unit reporting directly to the Commission and is comprised of four attorney Public Utility Law Judges, including the Chief Public Utility Law Judge. Typically, the Commission delegates to the Division proceedings pertaining to the following: applications for construction of power plants and high-voltage transmission lines; rates and other matters for gas, electric, and telephone companies; purchased gas and electric fuel rate adjustments reviews; bus, passenger common carrier, water, and sewage disposal company proceedings; plant and equipment depreciation proceedings; and consumer complaints, as well as other complaints not resolved at the administrative level. In addition, the Commission has a part-time License Hearing Officer, who hears matters pertaining to certain taxicab permit holders and matters regarding Baltimore City, Cumberland, and Hagerstown taxicab drivers, as well as passenger-for-hire drivers, including Transportation Network Operators. While most of the Division's activity concerns delegated cases from the Commission, the Commission also may conduct its proceedings in three-member panels, which may include one

Public Utility Law Judge. As a panel member, a Public Utility Law Judge participates as a voting member in the hearings and in the panel's final decision. The decision of a three-member panel constitutes the final order of the Commission.

In delegated cases, the Public Utility Law Judges and Hearing Officer conduct formal proceedings in the matters referred to the Division and file proposed orders, which contain findings of fact and conclusions of law. During 2019, the Commission delegated 120 cases to the Division: 18 non-transportation-related matters, and 102 transportation matters of which 41 were taxicab-related, 60 were for-hire related, and one was transportation network operator-related. These transportation matters include license applications and disciplinary proceedings involving requests for imposition of fines or civil penalties against carriers for violations of applicable statutes or regulations. The Division held 182 hearings and issued 118 proposed orders in 2019. Unless an appeal is noted with the Commission, or the Commission takes action on its own motion, a proposed order becomes the final order of the Commission after the specified time period for appeal as noted in the proposed order, which may be no less than seven days and no more than 30 days. There were 11 appeals/requests for reconsideration filed with the Commission resulting from a proposed order: three related to non-transportation matters, five to for-hire matters, and three to taxicab matters. The Commission issued one order reversing a proposed order related to a non-transportation matter.

XI. RECEIPTS AND DISBURSEMENTS FY 2019

Receipts and Disbursements

C90G001 – General Administration and Hearings

Salaries and Wages		$	7,346,383
Public Utility Regulation Fund	$7,346,383		
Technical and Special Fees		$	179,578
Public Utility Regulation Fund	$179,578		
Operating Expenses		$	2,353,444
Public Utility Regulation Fund	$2,304,032		
Retail Choice Customer Education and Protection Fund	$49,412		
Total Disbursements for Fiscal Year 2019		$	9,879,405
Public Utility Regulation Fund	$ 9,829,993		
Retail Choice Customer Education and Protection Fund	$49,412		
Reverted Appropriation		$	1,517,233
Public Utility Regulation Fund	$1,517,233		
Retail Choice Customer Education and Protection Fund	$0		
Total Appropriation for Fiscal Year 2019		$	11,396,638
Public Utility Regulation Fund	$11,347,226		
Retail Choice Customer Education and Protection Fund	$49,412		

C90G002 – Telecommunications, Gas and Water Division

Salaries and Wages	$	485,856
Operating Expenses	$	12,686
Total Disbursements for Fiscal Year 2019	$	498,542
Reverted Appropriation	$	38,825
Total Appropriation for Fiscal Year 2019	$	537,367

C90G003 – Engineering Division

Salaries and Wages	$	1,896,312
Public Utility Regulation Fund	$1,382,261	
Federal Fund	$514,051	
Operating Expenses	$	122,196
Public Utility Regulation Fund	$22,419	
Federal Fund	$99,777	
Total Disbursements for Fiscal Year 2019	$	2,018,508
Public Utility Regulation Fund	$1,404,680	
Federal Fund	$613,828	
Reverted Appropriation	$	53,417
Public Utility Regulation Fund	$53,417	
Federal Fund	$0	
Total Appropriation for Fiscal Year 2019	$	2,071,925
Public Utility Regulation Fund	$1,458,097	
Federal Fund	$613,828	

C90G004 – Accounting Investigations Division

Salaries and Wages	$	704,288
Operating Expenses	$	5,886
Total Disbursements for Fiscal Year 2019	$	710,174
Reverted Appropriation	$	20,305
Total Appropriation for Fiscal Year 2019	$	730,479

C90G005 – Common Carrier Investigations Division

Salaries and Wages	$	1,276,323
Public Utility Regulation Fund	$1,167,391	
For-Hire Driving Services Enforcement Fund	$108,932	
Technical and Special Fees	$	296,669
Public Utility Regulation Fund	$151,811	
For-Hire Driving Services Enforcement Fund	$144,858	
Operating Expenses	$	89,805
Public Utility Regulation Fund	$75,133	
For-Hire Driving Services Enforcement Fund	$14,672	
Total Disbursements for Fiscal Year 2019	$	1,662,797
Public Utility Regulation Fund	$1,394,335	
For-Hire Driving Services Enforcement Fund	$268,462	
Reverted Appropriation	$	254,462
Public Utility Regulation Fund	$254,462	
For-Hire Driving Services Enforcement Fund	$0	
Total Appropriation for Fiscal Year 2019	$	1,917,259
Public Utility Regulation Fund	$1,648,797	
For-Hire Driving Services Enforcement Fund	$268,462	

C90G006 – Washington Metropolitan Area Transit Commission

Operating Expenses	$	363,450
Total Disbursements for Fiscal Year 2019	$	363,450
Reverted Appropriation	$	2,268
Total Appropriation for Fiscal Year 2019	$	365,718

C90G007 – Electricity Division

Salaries and Wages	$	412,953
Operating Expenses	$	3,801
Total Disbursements for Fiscal Year 2019	$	416,754
Reverted Appropriation	$	108,626
Total Appropriation for Fiscal Year 2019	$	525,380

C90G008 – Public Utility Law Judge Division

Salaries and Wages	$	914,475
Public Utility Regulation Fund	$828,401	
For-Hire Driving Services Enforcement Fund	$86,074	
Technical and Special Fees	$	0
Public Utility Regulation Fund	$0	
For-Hire Driving Services Enforcement Fund	$0	
Operating Expenses	$	8,885
Public Utility Regulation Fund	$8,885	
For-Hire Driving Services Enforcement Fund	$0	
Total Disbursements for Fiscal Year 2019	$	923,360
Public Utility Regulation Fund	$837,286	
For-Hire Driving Services Enforcement Fund	$86,074	
Reverted Appropriation	$	10,957
Public Utility Regulation Fund	$10,957	
For-Hire Driving Services Enforcement Fund	$0	
Total Appropriation for Fiscal Year 2019	$	934,317
Public Utility Regulation Fund	$848,243	
For-Hire Driving Services Enforcement Fund	$86,074	

C90G009 – Staff Counsel Division

Salaries and Wages	$	909,085
Operating Expenses	$	4,833
Total Disbursements for Fiscal Year 2019	$	913,918
Reverted Appropriation	$	173,745
Total Appropriation for Fiscal Year 2019	$	1,087,663

C90G0010 – Energy Analysis and Planning Division

Salaries and Wages	$	498,739
Operating Expenses	$	7,966
Total Disbursements for Fiscal Year 2019	$	506,705
Reverted Appropriation	$	182,029
Total Appropriation for Fiscal Year 2019	$	688,734

Summary of Public Service Commission
Fiscal Year Ended June 30, 2019:

Salaries and Wages	$	14,444,414
Public Utility Regulation Fund	$13,735,357	
Federal Fund	$514,051	
For-Hire Driving Services Enforcement Fund	$195,006	
Technical and Special Fees	$	476,247
Public Utility Regulation Fund	$331,389	
Federal Fund	$0	
For-Hire Driving Services Enforcement Fund	$144,858	
Operating Expenses	$	2,972,952
Public Utility Regulation Fund	$2,809,091	
Federal Fund	$99,777	
For-Hire Driving Services Enforcement Fund	$14,672	
Retail Choice Customer Education and Protection Fund	$49,412	
Total Disbursements for Fiscal Year 2019	$	17,893,613
Public Utility Regulation Fund	$16,875,837	
Federal Fund	$613,828	
For-Hire Driving Services Enforcement Fund	$354,536	
Retail Choice Customer Education and Protection Fund	$49,412	
Reverted Appropriation	$	2,361,867
Public Utility Regulation Fund	$2,361,867	
Federal Fund	$0	
For-Hire Driving Services Enforcement Fund	$0	
Retail Choice Customer Education and Protection Fund	$0	
Total Appropriations	$	20,255,480
Public Utility Regulation Fund	$19,237,704	
Federal Fund	$613,828	
For-Hire Driving Services Enforcement Fund	$354,536	
Retail Choice Customer Education and Protection Fund	$49,412	

Assessments collected during Fiscal Year 2019:	$	19,891,870

Other Fees and Revenues collected during Fiscal Year 2019:

1) Fines & Citations General Fund	$	85,002
2) For-Hire Driving Services Permit Fees	$	410,283
3) Meter Test	$	230
4) Filing Fees	$	153,508
5) Copies	$	141
6) Miscellaneous Fees	$	5,180
Total Other Fees and Revenues	$	654,344

Interest Earned on Customer Investment Fund balance	$	5,286
Interest Earned on Offshore Wind Energy Fund balance	$	23,808

Assessments collected that were remitted to other State Agencies during Fiscal Year 2019 From the Public Utility Regulation Fund:

1) Office of People's Counsel	$	4,077,011
2) Railroad Safety Program	$	276,825