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# PUBLIC SERVICE COMMISSION

For immediate release

## PSC Orders BGE to Reduce Smart Meter Opt-Out Charge

(BALTIMORE-November 24, 2015) – The Maryland Public Service Commission (PSC) has ordered BGE to reduce by half the monthly charge paid by residential and small commercial customers who choose to opt-out of a smart meter installation. The current charge of \$11.00 will be reduced to \$5.50 a month effective with the January 2016 billing cycle. The one-time, initial opt-out charge of \$75.00 was not part of this interim adjustment. The charges are billed to customers who affirmatively choose not to have a smart meter installed or who have not responded to BGE's efforts to schedule an installation appointment.

On November 5, 2015, the PSC held a hearing to consider the issue of whether an interim adjustment to the recurring monthly charge paid by opt-out customers of BGE was appropriate given that current opt-out levels in the four percent range are in excess of the opt-out assumption of one percent that was used in the initial charge determination approved by the Commission in February 2014 (order #86200).

"We believe it is necessary and fair to customers to lower the monthly opt-out charge as an interim step in light of the higher participation rates currently reported in the BGE service territory," said Kevin Hughes, the Commission Chairman. "While we encourage customers to take advantage of the benefits of smart meters in achieving both energy savings and quicker outage response times, we believe it is important to preserve the right of customers to opt-out if they so choose."

In addition, the order requires BGE to file supplemental quarterly data regarding the collection of opt-out revenues and the costs for servicing opt-out customers. The Commission is also considering the question of whether the time period during which

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customers may contact their utility to schedule an installation appointment and receive a bill credit for the imposed opt-out charge should be extended from the current 30 days to 60 or 90 days. Comments may be filed on this matter no later than December 10, 2015.

The order, #<u>87264</u>, including a dissent from Commissioner Harold D. Williams and a concurring statement from Commissioner Anne E. Hoskins, can be found on the Commission's website, <u>www.psc.state.md.us</u>.

#### About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines and buses), taxicab companies (in Baltimore City and County, Cumberland and Hagerstown) and bay pilot rates.

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