

ORDER NO. 87301

IN THE MATTER OF BALTIMORE
 GAS AND ELECTRIC COMPANY
 FOR AUTHORIZATION TO
 DEPLOY A SMART GRID
 INITIATIVE AND TO ESTABLISH A
 SURCHARGE MECHANISM FOR
 THE RECOVERY OF COST

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BEFORE THE
 PUBLIC SERVICE COMMISSION
 OF MARYLAND

CASE NO. 9208

Issue Date: December 18, 2015

On November 5, 2015, the Public Service Commission of Maryland (“Commission”) held a hearing in the above-captioned case to consider the limited issue of whether an interim adjustment to the \$11.00 recurring monthly fee paid by opt-out customers of Baltimore Gas and Electric Company (“BGE”) is appropriate given that recent opt-out levels are in excess of the 1% opt-out assumption utilized in the initial fee determination. After considering fully the record before us, we determined in Order No. 87264 that an interim adjustment was warranted and ordered a 50% reduction in the monthly fee paid by BGE opt-out customers, effective with the January 2016 billing cycle.¹ Further, as part of our Order we requested comment on the limited issue of whether the time period during which a customer may contact their utility to schedule an installation appointment and receive a bill credit for the imposed opt-out fees should be extended from 30 days to 60 or 90 days.²

¹ Order No. 87264 (Nov. 24, 2015) at 12.

² *Id.*

In response to our request for comments, BGE and the Commission’s Technical Staff (“Staff”) both submitted their respective recommendations. Staff noted its support for extending the grace period to 90 days, noting that a time period of 90 days is reflective of the time period over which the one-time, initial \$75 opt-out charge is collected.³ BGE, however, expressed concern that a 90-day extension may have the unintended consequence of prolonging customer inaction; however, the Company noted that it did not object to increasing the grace period to 60 days.⁴ In support of its position, BGE observed that “the overwhelming majority of customers opt-in prior to, or 30 days after receiving their first bill with opt-out charges.”⁵

While we appreciate the concerns articulated by BGE, we are equally concerned that some additional flexibility or incentive may be necessary to further the Company’s Advanced Metering Infrastructure deployment efforts, particularly with respect to non-responsive customers. While the data presented by BGE indicates that only 21% of customers have opted to enroll in the smart meter program after the expiration of the current 30-day grace period, we find it reasonable to conclude that at least a portion of those customers may be motivated to act should the waiver period be extended, thereby giving those customers additional months to review their utility bills and contact BGE. Therefore, we direct BGE to waive and remove all opt-out charges from the customer’s bill if the customer contacts BGE to schedule installation of a smart meter within 90 calendar days from the date on which the customer’s bill is issued requesting payment for the third

³ ML#179956: *Opt-out Refund Comments – Case No. 9208* (“Staff Comments”) (Dec. 10, 2015) at 1.

⁴ ML#179976: *Comments of Baltimore Gas and Electric Company on Extension of Waiver Period for Opt-out Charges* (“BGE Comments”) (Dec. 10, 2015) at 2.

⁵ *Id.*

installment of the one-time, initial \$75 opt-out charge.⁶ Our decision today ensures that customers will have three full billing cycles (in addition to the three-month billing notification period related to the one-time charge) during which to contact BGE to schedule a smart meter installation while still receiving a waiver of any opt-out charges that may have otherwise accrued to-date.

IT IS THEREFORE, this 18th day of December, in the year Two Thousand Fifteen, by the Public Service Commission of Maryland,

ORDERED: (1) That BGE is directed to waive and remove all opt-out fees imposed following the transition of a customer into the opt-out program if that customer contacts BGE to schedule installation of a smart meter within 90 calendar days from the date on which the customer's bill is issued requesting payment for the third installment of the one-time, initial \$75 opt-out charge; and

(2) That BGE is directed to file revised tariff pages to reflect the modified waiver timeline established herein no later than December 22, 2015.

/s/ W. Kevin Hughes

/s/ Harold D. Williams

/s/ Lawrence Brenner

/s/ Anne E. Hoskins

/s/ Jeannette M. Mills
Commissioners

⁶ This extended 90-day waiver period becomes effective upon Commission approval of the revised tariff pages required by this Order. The extended waiver period is then applicable to any customer currently engaged in the existing 30-day waiver period, or any new customer that is subsequently enrolled in the opt-out program.