

ORDER NO. 89631

Investigation of Baltimore Gas and
Electric Company regarding a Building
Explosion and Fire in Columbia,
Maryland on August 25, 2019

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

Case No. 9653

Issue Date: September 15, 2020

ORDER TO SHOW CAUSE

1. On August 25, 2019, a gas explosion occurred at 8865 Stanford Blvd. in Columbia Maryland, within Baltimore Gas and Electric Company’s (BGE) service territory. BGE notified the Commission pursuant to COMAR 20.50.03.04G and Public Utilities Article (“PUA”), *Annotated Code of Maryland* § 5-304(a)(1). The explosion caused no injuries or fatalities as none of the affected businesses were open at the time.

A. Commission Staff’s Investigation and Conclusions

2. After being notified of the explosion, the Commission’s Engineering Division (“PSCED” or “Staff”) initiated an investigation.

3. On September 24, 2019, BGE filed an Electric Utility Accident Notice and Investigation Form EN-6 pursuant to COMAR 20.50.03.04G. In addition to reviewing this report, the PSCED served BGE with three specific information requests to which BGE responded. The PSCED also reviewed the Howard County Fire and Rescue Case Initiation Report and the National Response Center Report.

4. Additionally, an on-site inspection of the location of the explosion revealed what appeared to be an electrical fault in one of BGE's electric lines that serviced the building. Several holes were also found in one of BGE's gas pipes.

5. On August 6, 2020, Staff filed with the Commission its official report based upon all of the data it had obtained (the "Report").

6. Based upon this investigation, Staff concluded that the evidence to date indicates that:

The sequence of events on August 25, 2019 [was] initiated by an underground secondary fault of unknown cause, which resulted in thermal degradation of the polyethylene gas service piping from this electrical failure that persisted either consistently or intermittently ...until the building explosion.¹

7. The Report concludes that this finding indicates that BGE violated several State and federal statutes and regulations. First, Staff contends that BGE violated Rule 352.C of the National Electric Safety Code, which requires certain vertical and horizontal distance between gas and electric cables.²

8. Staff also contends that BGE violated several other safety standards, including PUA §5-303, COMAR 20.50.02.01, COMAR 20.50.02.02A, and COMAR 20.55.02.02A(3), all of which broadly require utilities to comply with existing standards and ensure the safe provision of service.³

9. Finally, Staff concludes that a quality control inspection process should have prevented the installation defect at issue. Staff questions whether this is a one-time error

¹ Report at 14.

² *Id.* at 19. Staff also concludes that the same lack of sufficient distance violates 49 CFR § 192.13(c).

³ *Id.* at 24.

involving a particular contractor or reflective of deficient quality control practices by BGE.⁴

B. Staff's Recommendations

10. Staff recommends that the Commission issue an order directing BGE to perform three specific actions. First, 49 CFR § 190.223(a) expressly provides that any operator of a gas pipeline found to have violated a provision of the Federal Natural Gas Pipeline Safety Act⁵ is subject to a maximum civil penalty of \$218,647 for each violation and each day the violation continues. However, Staff recommends the Commission assess a total civil penalty of \$218,647.⁶

11. Second, Staff recommends that the Commission order BGE to submit a proposed corrective action plan with the Commission within 60 days of this order. BGE's proposed plan should address the potential extent within BGE's territory that similar safety violations might exist. The plan should also satisfy the Commission that BGE's current quality control process is adequate to prevent a recurrence of what occurred in Columbia.⁷

12. Staff also recommends that BGE's plan identify an appropriate number of "joint trench site inspections" to evaluate the extent of similar potential dangers. BGE should identify all of the factors upon which it relied in identifying the specific sites for inspection. Staff recommends that the Commission require Staff to accompany BGE on these site inspections.⁸

⁴ *Id.* at 24-25.

⁵ 49 U.S.C. 601 et seq.

⁶ Report at 26-27.

⁷ *Id.* at 27-28.

⁸ *Id.* at 28.

13. Finally, Staff recommends the Commission order BGE to establish a regulatory liability with carrying charges for all investigation and corrective action plan expenses for a prudency determination at a later date.⁹ The Commission should also direct BGE to submit a written report upon completion of their corrective action plan.¹⁰

C. Commission Decision

14. COMAR 20.50.02.01 states that “[t]he electric plant of a utility shall be constructed, installed, maintained, and operated in accordance with accepted good engineering practice in the electric industry to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.”

15. The findings contained within the Report related to the proper distance between BGE’s electric and gas lines raise an issue as to whether there have been violations of COMAR as well as related federal regulations. Accordingly, the Commission directs BGE to file with the Commission a detailed response to the Report as to the probable cause of the August 25, 2019 explosion within 60 days of the date of this order.

16. The Commission also directs that BGE’s response address the three recommendations contained within pages 26-28 of the Report. Specifically, the Commission directs that BGE address the appropriate amount of any civil penalty in the event the Commission concludes a civil penalty is warranted by the record.

⁹ *Id.*

¹⁰ *Id.*

17. BGE also should address whether the evidence in this case warrants submission of a corrective plan as described in the Report to determine the extent to which similar potential dangers exist within its service territory.

18. Finally, the Commission directs BGE to address the appropriateness of Staff's request that the Commission establish a regulatory liability for a prudency determination at a later date.

19. Any interested party may file a written reply to BGE's response within 20 days after BGE's filing.¹¹

20. Following BGE's response and the replies filed by other parties, the Commission will schedule a hearing to receive input on the issues raised in this order and the response, and allow any interested party the opportunity to provide comment for the Commission's consideration.

21. Based upon BGE's detailed response to the Report as to the probable cause of the August 25, 2019 explosion and the record developed subsequent to it, the Commission will examine whether a civil penalty is appropriate or whether any other remedy is appropriate

IT IS THEREFORE, this 15th day of September, in the year Two Thousand and Twenty, by the Public Service Commission of Maryland,

ORDERED that Baltimore Gas and Electric Company shall file with the Commission within 60 days of this order:

(1) Its response to the probable cause findings in the "Staff Report of the Engineering Division of the Public Service Commission of Maryland;"

¹¹ The Commission urges BGE to work with interested parties to develop an appropriate confidentiality agreement and/or any other protocol that would ensure that other parties intending to submit a reply have access to BGE's full response.

(2) Its response to the recommendations in the “Staff Report of the Engineering Division of the Public Service Commission of Maryland;” and

(3) Its response as to whether the Commission should impose a civil penalty or take any other action based upon the findings in the “Staff Report of the Engineering Division of the Public Service Commission of Maryland.”

By Direction of the Commission

/s/ Andrew S. Johnston

Andrew S. Johnston
Executive Secretary