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Maryland PSC Orders BGE to Allow Customers Options in Gas Regulator Location PSC also rules service shut offs for customers refusing exterior regulators not justified

For Immediate Release: September 5, 2023 **Media Contact:** Tori Leonard | <u>tori.leonard@maryland.gov |</u> (410) 767-8054

(BALTIMORE, MD) – The Maryland Public Service Commission has approved an agreement among Baltimore Gas and Electric Company, a group of affected customers, the Maryland Office of People's Counsel (OPC), and the Commission's Technical Staff that will give BGE's residential customers the option of whether to have a gas pressure regulator installed on the exterior or interior of a single-family home.

Customers in BGE's service territory filed numerous complaints with the Commission's Consumer Affairs Division and, in June, joined a petition to the Circuit Court for Baltimore City related to ongoing work by BGE to install gas service regulators on the exterior of residences as part of a broader initiative to upgrade low pressure gas systems to high pressure. BGE adopted the default practice of external installation beginning in 2021, and complaints since then have related to the aesthetics and safety of external gas service regulators. The Commission held a hearing on this matter on August 15, 2023.

In an order issued today, the Commission noted that it "prefers regulators be installed outside of dwellings, but finds that both indoor and outdoor installations are generally permitted by state and federal law if proper engineering standards are followed, and determines that both indoor and outdoor installations are generally safe." Maryland law generally allows both indoor and outdoor installations of gas pressure regulators, except in specific circumstances, such as for multi-family dwellings with six or more units — where outdoor installation is mandatory (under the Flower Branch Act of 2021).

The Commission ordered BGE to revise the utility's standards and practices to permit residential customers to choose whether a gas service pressure regulator is installed inside or outside their home unless: (a) BGE establishes that the customer's choice to only permit indoor installation violates state or federal laws or regulations; or (b) BGE establishes that the customer has made the utility's interior equipment inaccessible through the construction of permanent walls or fixtures, or indoor installation is otherwise impracticable or unsafe based upon accepted good engineering practice, as defined in Commission regulations.

Going forward, the Commission directed BGE to work with the other parties to develop a written notice to be delivered to customers at least 14 days in advance of an installation, informing them a gas regulator will be installed and giving them the choice of exterior or interior installation. BGE must file tariff revisions consistent with this order within 30 days. Those revisions will be reviewed by the Commission for compliance with the order.

"The Commission acknowledges the willingness of BGE, Thiru Vignarajah–counsel for some of the affected customers, OPC and the Commission's Staff for accepting the challenge from the Commission at the hearing to resolve the issues through this agreement," said Frederick H. Hoover, Chair of the Commission.

The Commission also ruled that a residential customer's decision to decline an exterior installation of a new gas pressure regulator is not in and of itself a valid basis for terminating, or threatening to terminate, service, so long as the customer's decision does not violate state or federal law, or compromise the safety, maintenance, and reliability of the system.

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About the Public Service Commission:

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

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