



MARYLAND'S "BIG 7" JURISDICTIONS

Mr. Douglas R.M. Nazarian, Chairman
Maryland Public Service Commission
William Donald Schaefer Tower
6 St. Paul St., 16th Floor
Baltimore, MD 21202

July 10, 2012

Dear Chairman Nazarian:

Now that the June 29 storm recovery phase is behind us, it is time to evaluate changes needed for Maryland's regulated energy companies to improve performance during emergencies.

Devastating storms are impossible to predict, but every effort must be made to improve restoration efforts. As elected leaders of Maryland's largest jurisdictions, we stand ready to work together to make sure major metropolitan areas are not disabled by a single weather event, whether it involves snow, rain, ice or wind.

Improved disclosure of outage locations

Late last week, as the number of outages dwindled but the temperatures remained stifling, several jurisdictions asked utility companies for a complete list of remaining outages. Local governments sought to dispatch personnel, including firefighters, to check on residents in distress.

Companies would not disclose this data. If they had provided street-level information, it would have greatly assisted government efforts to provide support in these areas. Utility companies can and should provide detailed outage information to local governments, and the June 29 "Derecho" storm showed that local governments cannot fulfill public safety responsibilities without it.

More detailed information should be provided directly on Web sites of all Maryland power companies so that they become better and more complete sources of information during emergencies. The utility companies and local governments must be partners in public safety during outages.

Prevention of future outages

In most cases, power outages are caused by tree limbs falling on wires. A much-discussed and costly solution is the burying of wires underground. The size and scope of such an effort has been well-documented.

However, after the most recent winter and summer storms, and the very real possibility of an increasing number of extreme weather events, it is clear that something must be done.

The Maryland Public Service Commission must undertake a study that examines the specific locations in the Pepco and BGE service areas that would benefit most from underground wire placement. It is our hope that if strategic improvements are made, thousands would benefit. We need a full discussion and public dialogue on what customers are willing to pay for this improvement.

Additionally, a full examination of utility company above-ground equipment is needed. Older poles and low wires strung closely together may be contributing to failures. Utility companies must devote resources to maintenance of existing equipment.

The condition of the region's power grid is too fragile – and too important – to delay this project.

Examination of staffing levels and maintenance programs

Many observers, including local elected officials, have questioned whether staffing levels at Maryland utility companies are sufficient to prepare for and handle weather emergencies.

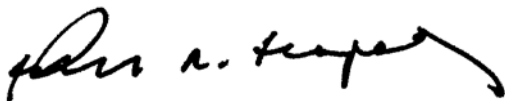
While the companies cannot staff for a worst-case scenario, and rightly rely on reciprocity with out-of-state crews in emergencies, a rapidly arising weather situation exposes the flaws in that system.

Similarly, observers have questioned whether the companies' preventative tree and vegetation removal programs are adequate.

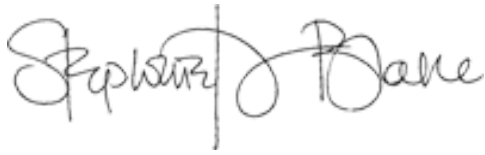
The Public Service Commission should examine these company programs, to determine whether mandatory staffing levels and maintenance programs would be of assistance.

Again, emergencies by definition are unpredictable. But through planning, analysis and a public dialogue, Maryland's electric utilities, regulators, elected officials and the public can work together to identify areas of improvement, evaluate their costs and benefits, and move forward for the benefit of all Marylanders.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Leopold". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

John R. Leopold
County Executive, Anne Arundel County



Stephanie Rawlings-Blake
Mayor, Baltimore City



Kevin B. Kamenetz
County Executive, Baltimore County



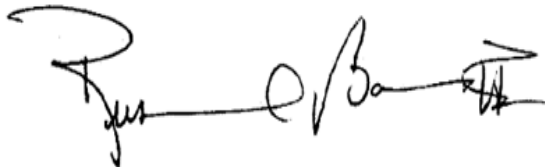
David R. Craig
County Executive, Harford County



Ken Ulman
County Executive, Howard County



Isiah Leggett
County Executive, Montgomery County



Rushern L. Baker, III
County Executive, Prince George's County

cc: Kenneth W. DeFontes Jr., BGE President and CEO

Joseph Rigby, Pepco Holdings CEO