



An Exelon Company

John C. Frain
Director
Regulatory Strategy & Revenue Policy

Telephone 410.470.1169
Fax 410.470.8022
www.bge.com
john.frain@bge.com

P.O. Box 1475
Baltimore, Maryland 21203-1475

November 18, 2021

ELECTRONIC FILING

Andrew S. Johnston, Executive Secretary
Public Service Commission of Maryland
William Donald Schaefer Tower
6 Saint Paul Street, 16th Floor
Baltimore, Maryland 21202-6806

**Re: Supplement No. 483 to P.S.C. Md. G-9: Standard Gas Service Line
Extension Charge**

Dear Mr. Johnston:

Baltimore Gas and Electric Company (“BGE” or “the Company”) files herewith Supplement 483 to Md. G-9 (“Gas Supplement”) to revise certain residential gas service extension charges in Part 2, Section 8 Extensions, of BGE’s Gas Service Tariff. For residential gas extensions up to 150 feet where no main extension is needed, the standard charge will remain \$0. The Company proposes to change the additional charge for extensions more than 150 feet from \$18.22 per foot to \$19.99 per foot.

In Supplement No. 410 filed on October 8, 2015, BGE first proposed a standard charge for residential gas extensions where no main extension is needed along with a per foot charge for extensions exceeding 150 feet.¹ The Company explained in this filing that the charge was based on an economic test that uses a net present value analysis to compare the cost of an extension to its associated revenues. BGE also noted that it would review the charges annually and propose updates to the tariff as appropriate. As the cost of an extension continues to be less than the associated revenues, the standard connection charge for services up to 150 feet remains \$0.

BGE will continue to conduct the analysis annually and propose updates to the tariffed rates as appropriate. Please find enclosed both red-lined and clean copies of the proposed tariff page reflecting the change in the residential gas extension charges and revisions to Section 8 of the Tariff.

BGE proposes that these changes be effective January 1, 2022, and respectfully requests that this matter be considered no later than the Commission’s December 22, 2021 Administrative Meeting

¹ BGE’s proposal was approved by the Commission in a letter order dated November 18, 2015.

Andrew S. Johnston, Executive Secretary

November 18, 2021

Page 2

Pursuant to the Commission's March 16, 2020 Notice of Waiver and Relaxed Filing Requirements, the Company is not providing paper copies of this filing.

Sincerely,

A handwritten signature in blue ink, appearing to read "John C. Frain", with a stylized flourish at the end.

John C. Frain

JCF:meg

Enclosures

cc: Benjamin Baker, Director of Gas, Water and Telecommunications
William F. Fields, Deputy People's Counsel

8.2 Charges for Extensions

The extension of Main and Service Line is evaluated on the merits of each project's economics. Subject to an economic test, a contribution may be required from the Customer.

The contribution is defined as an amount at least sufficient to produce an after tax return on the Company's Main and Service Line investment equal to its currently authorized rate of return, but:

- (a) for nonresidential not more than estimated cost including all applicable taxes
- (b) for residential that includes a request for a standard application as defined in Section 8.3 and where no Main Line extension is required, \$0 for a residential Service Line extension up to 150 feet. The Customer pays an additional ~~\$18.22~~\$19.99 per foot for the portion of the Service Line extension greater than 150 feet. This total is exclusive of any other charge provisions in the Gas Service Tariff.
 - (1) for residential where the Main Line was installed after January 1, 2015 as part of a community extension project, the contribution shall be the same as that paid by other customers in that community at the time of installation.
- (c) for residential where a Main Line extension is required or where the request is for a non-standard application as defined in Section 8.3, not more than

$$(P - E) \times TA$$

where:

P = The Project's Estimated Installed Cost

E = Average Residential Embedded Cost Included in Base Rates

TA = Income Tax Adjustment

8.3 Increase in Load: As the Customer's load increases, the Company makes appropriate alterations to its distribution system to provide for the increase. For a nonresidential customer, the extension charge, if any, for such work is determined by using the economic test in Section 8.2 to compare the incremental cost of the alterations to serve the increased load and the incremental revenue from the increased load.

For a residential customer, when the load is for standard applications (space heating, cooking, water heating, clothes drying), the Company provides whatever distribution equipment may be necessary to accommodate the increase in load at its expense, except that the Customer pays the excess cost of on-site trenching through improved areas over the cost of standard trenching.

When a residential upgrade is for non-standard applications, the extension charge, if any, for such work is determined by using the economic test in Section 8.2 to compare the incremental cost of the alterations to serve the increased load and the incremental revenue from the increased load. However, there is no charge if the residential upgrade for a non-standard application only requires the installation of a meter and regulator.

When a residential upgrade is for both standard and non-standard applications and the incremental load for the standard application(s) alone would require an upgrade, the Company provides whatever distribution equipment may be necessary to accommodate the increase in load at its expense, except that the Customer pays the excess cost of on-site trenching through improved areas over the cost of standard trenching.

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- (b) for residential that includes a request for a standard application as defined in Section 8.3 and where no Main Line extension is required, \$0 for a residential Service Line extension up to 150 feet. The Customer pays an additional \$19.99 per foot for the portion of the Service Line extension greater than 150 feet. This total is exclusive of any other charge provisions in the Gas Service Tariff.
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- (c) for residential where a Main Line extension is required or where the request is for a non-standard application as defined in Section 8.3, not more than

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For a residential customer, when the load is for standard applications (space heating, cooking, water heating, clothes drying), the Company provides whatever distribution equipment may be necessary to accommodate the increase in load at its expense, except that the Customer pays the excess cost of on-site trenching through improved areas over the cost of standard trenching.

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When a residential upgrade is for both standard and non-standard applications and the incremental load for the standard application(s) alone would require an upgrade, the Company provides whatever distribution equipment may be necessary to accommodate the increase in load at its expense, except that the Customer pays the excess cost of on-site trenching through improved areas over the cost of standard trenching.