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STATE OF MARYLAND



## PUBLIC SERVICE COMMISSION

### Maryland Public Service Commission

C90G00

**Fiscal year 2025 Operating Budget  
Response to Department of Legislative Services Budget Analysis**

**Senate Budget & Taxation Committee  
Subcommittee on Public Safety, Transportation, And Environment  
Senator Sarah Elfreth  
February 9, 2024**

**House Appropriations Committee  
Subcommittee on Transportation & Environment  
Delegate Courtney Watson  
February 12, 2024**

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Good afternoon,

The Public Service Commission (Commission) thanks Mr. Quist for the analysis that he prepared. The Commission continues to address the numerous annual submissions and filings by public service companies and other interested parties. There was a high volume of rate cases during calendar year 2023 including requests filed by The Potomac Edison Company, Columbia Gas of Maryland, and Washington Gas Light Company and multi-year rate plans filed by Baltimore Gas and Electric Company (BGE) and Potomac Electric Power Company (Pepco). Other matters before the PSC ranged from routine matters to more complex cases including supplier enforcement cases, the 2024-2026 EmPOWER plans, BGE gas regulators, the Community Choice Aggregation pilot, and STRIDE. Looking forward to 2024, the Commission will be reviewing limited income mechanisms for utility customers, interconnection regulations, future gas planning, and finishing the Pepco multi-year rate plan.

Like many other State agencies, the Commission continues to meet the challenges of an increasing workload with limited resources. The Commission is recognized as a national leader in applying regulatory oversight to emerging and important issues, including grid modernization<sup>1</sup> and energy efficiency<sup>2</sup>, while ensuring that the rates of utility customers remain just and reasonable.

In addition, the Commission continues to play a visible and active role in proceedings before the Federal Energy Regulatory Commission to ensure that the procedures of the regional grid operator, PJM Interconnection, are just and reasonable, and do not have an unintended consequence of increasing the price of electricity for retail customers or reducing the reliability or capacity of electricity supply in Maryland.

Responses to specific comments identified in the budget analysis are addressed below:

**Personnel Data:**

*1. Vacancy Levels.*

**PSC should comment on efforts to fill long-term vacancies and new positions.**

**Response:**

As Mr. Quist indicated in his analysis, as of December 31, 2023, the Commission had 15 vacant positions. Of the 15 positions, two have been filled. A majority of the remaining positions were posted for hiring before the end of 2023 and are in various stages of the interview process. The Commission anticipates the remaining open positions to be filled before the end of the current fiscal year. The Commission has been working with its HR analyst at the Department of

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<sup>1</sup> <https://gridwise.org/gmi-readiness/>

<sup>2</sup> <https://www.aceee.org/state-policy/scorecard>

Budget and Management (DBM) to continue to fill vacancies and try new recruitment techniques to fill vacancies that have been more difficult to fill such as postings to social media sites.

The Commission has two main issues when it comes to vacancies: finding qualified applicants and retaining experienced employees. The Commission employs technical professionals who are required to provide expertise in all aspects of utility regulation.<sup>3</sup> The Commission's employees typically require advanced degrees in economics, engineering, finance, accounting, law, and physical sciences. Employees also require proficiency in written analysis, verbal presentation, and stakeholder facilitation. Many employees provide written and oral testimony, under sworn oath, which not only imparts a recommended action but also critiques the positions taken by other parties employing highly experienced and frequently nationally recognized subject matter experts and consultants. These skills and expertise are highly specialized, and it is difficult at times to find applicants to satisfy the Commission's requirements. The recruitment process requires careful review of the applicant's writing and presentation skills, as well as excellent academic records and recommendations from references. For these reasons, the recruitment process can be lengthy and may require several postings to acquire a suitable pool of applicants. While at times it may take longer to fill a position than ideal, it is critical from the Commission's perspective to obtain personnel with the necessary skills to provide Maryland ratepayers with the best service and protection they deserve.

The Commission offers employees exposure to a variety of technical topics and valuable regulatory experience. Accordingly, the Commission can run into employee retainment issues as Commission employees are often recruited by utilities, consulting firms, and other entities for their skills. The Commission always attempts to provide an opportunity for advancement with existing personnel, if available, and offers training and ongoing education opportunities for employees so they can continue their career development. It can be difficult for the Commission to compete with the benefits and salaries offered by competing entities for experienced employees.

The reasons above are why some of the vacancies have been open for more than a year. The Commission is in the process of interviewing for all of vacancies that have been open long-term. The newly created positions should be filled soon. The Commission will then turn its attention to filling the newly created positions in the FY25 budget.

### **Key Observations:**

#### *2. Complaint and Enforcement Against Third-party Energy Suppliers*

**PSC should comment on the length of time after each quarter ends before the reports are available to be published on PSC's website.**

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<sup>3</sup> Topics include but are not limited to rate design, cost allocation, equity and debt finance, market design, renewable programs, energy efficiency programs, grid modernization, cybersecurity, safety and reliability, cost efficiency analysis, low-income program design, consumer protections, legal sufficiency, and enforcement.

Response:

The Commission's Consumer Affairs Division (CAD) investigates and responds to customer complaints related to utilities and energy suppliers as well as other regulated entities. CAD complaint investigations result in an initial decision rendered per the dispute resolution process outlined in Code of Maryland Regulations (COMAR) 20.32.01.04. CAD specialists collect information from customers and the companies to make an independent determination of whether companies are in compliance with relevant Maryland law, regulation, and utility tariff terms. CAD routinely updates the Commission when complaint patterns suggest larger problems with utility or supplier business practices.

As the analysis noted, CAD began reporting on complaints filed against Maryland's electric and gas utility companies and posting the report to the Commission's website in FY2023.<sup>4</sup> CAD understands the importance of providing accurate, high-quality data to the public. Balancing the necessity of accuracy with the need for timeliness is a challenge that CAD recognizes and seeks to address. CAD values continuous process improvement and is always seeking to improve customer experience, including through the information it provides to educate the public. The Commission understands that data collection and sharing practices are constantly evolving, and the Commission will continue to assess feedback it receives regarding its processes.

The Commission appreciates the opportunity to respond to the budget analysis and is happy to address any additional questions the subcommittees may have.

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<sup>4</sup> CAD has been reporting supplier complaints since FY2020.