



*Brandon M. Scott*  
Mayor

**COMMISSION FOR  
HISTORICAL & ARCHITECTURAL  
PRESERVATION**

*Harry Spikes, Chairman*

**STAFF REPORT**



*Chris Ryer*  
Director Planning

July 11, 2023

**REQUEST:** BGE – Gas Regulators External Installation

**STAFF:** Eric Holcomb

**ISSUE:**

BGE now has a policy to install gas regulators on the exterior of houses in local historic districts and on local landmarks. BGE is modernizing the gas system throughout our service area by replacing low-pressure gas infrastructure with a higher-pressure system that will provide more reliable and resilient natural gas service to residents. BGE's goal is to provide customers with natural gas in the safest and most reliable manner possible.

This work has been reviewed and approved by the Maryland Public Service Commission, and is in accordance with applicable laws, regulations, and BGE standards. According to BGE, these upgrades require the installation of outdoor regulators to maintain a safe level of pressure between the gas system and customer homes and appliances.

The upgraded system requires a gas regulator at each property to reduce pressure from the service line to a lower pressure for safe distribution into the building. According to BGE, these gas regulators must be placed outdoors in order to provide the safest gas service possible to our customers by ensuring gas does not enter a building at the higher pressure. This also allows first responders faster access to shut off gas, if necessary, versus an indoor regulator.

Outdoor locations are also safer in that if the regulator were to leak due to any cause, the leaking gas would dissipate directly into the atmosphere. The most dangerous situations occur when gas is collected in an area. If a regulator that is located indoors leaks, gas could collect inside the property and ignite. The resulting explosion could be catastrophic, and impact multiple properties.

The exterior installation of gas regulators detracts from the historic character of historic districts and also involves the boring of holes in historic fabric such as brick, marble or limestone. This has created an issue of two opposing goals: one of safe use of gas and one of preserving the historic character of local historic districts and landmarks.

## **BACKGROUND**

### **THE SAFETY ISSUE:**

The primary issue, is that there is a safety issue with the gas pressure system. BGE is in the process of upgrading the City’s system from a low-pressure to medium-pressure system. As stated in an email from Senator Bill Ferguson’s office, “with an interior regulator and the switch from low pressure to mid pressure, if the regulator fails and the leaks occur, a low-pressure system does not create significant risk beyond what would be experienced with a gas stove left on – still dangerous but not catastrophic. By switching the system to a medium pressure, an interior installed regulator failing can lead to a much faster accumulation of natural gas on the interior of the home due to the greater pressure in the line (even if there is a vent to the exterior in the system).”

In 2016, there was a catastrophic gas explosion at the Flower Branch Apartments in Silver Spring, MD that killed seven people and injured dozens more. Following that explosion, the National Transportation Safety Board (NTSB) began a comprehensive investigation into the explosion, and issued its final report in 2019. In that report, the NTSB made 13 recommendations to improve safety.<sup>1</sup> Five recommendations were directed at the Washington Gas Service (the energy company that was responsible for the gas line at the Flower Branch Apartments), including these directives:

- Install all new service regulators outside occupied structures. (P-19-012)
- Relocate existing interior service regulators outside occupied structures whenever the gas service line, meter, or regulator is replaced. In addition, multifamily structures should be prioritized over single-family dwellings. (P-19-013)<sup>2</sup>

The 2016 explosion also led to the introduction and passage of the 2021 Flower Branch Act (House Bill 345) in the Maryland State legislature. This bill requires that newly installed gas service must have an exterior gas service regulator, that interior gas service regulators in multifamily structures (defined as residential properties with six or more dwelling units) must be relocated to the exterior whenever a gas service line or regulator is replaced, and outlines a process for gas companies to get approval from the Public Services Commission for a gas service regulator relocation plan.<sup>3</sup> This bill was signed by the Governor in May 2021 and took effect on October 1, 2021.

BGE’s policy to install regulators on the outside of structures was influenced by NTSB’s report and the passage of the Flower Branch Act.

After CHAP’s informational hearing on BGE regulators on March 8, 2022, the Executive Director of CHAP asked if the Public Service Commission “can verify BGE’s safety concern?”

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<sup>1</sup> National Transportation Safety Board. “Building Explosion and Fire, Silver Spring, Maryland, August 10, 2016.” NTSB/PAR-19/01. (Washington, D.C., 2019), pg. 42-43;

<https://www.nts.gov/investigations/AccidentReports/Reports/PAR1901.pdf>

<sup>2</sup> National Transportation Safety Board, pg. 43

<sup>3</sup> House Bill 345 “Public Utilities – Gas Service Regulator Safety (Flower Branch Act)”

[https://mgaleg.maryland.gov/2021RS/chapters\\_noln/Ch\\_263\\_hb0345T.pdf](https://mgaleg.maryland.gov/2021RS/chapters_noln/Ch_263_hb0345T.pdf)

The PSC stated that it has “consistently ruled that the utility’s meter relocation and protection programs are important for compliance with federal and state law. Regarding the relocation of indoor gas equipment, PSC engineers recognize the safety issue, and the Commission has approved the prudence of utility costs related to meter relocation.”

### **CHAP Actions Regarding BGE Work:**

CHAP staff has issued Authorization-to-Proceeds for installations of regulators on the exterior of houses, requiring that the regulators are placed in the least visually obtrusive place possible and streets and sidewalks are repaired to match the look of prior conditions.

On March 8<sup>th</sup>, 2022, CHAP held an informational hearing regarding these BGE regulators. The following are some observations from this hearing:

- There was a distinction made between regulator and meter installation on the exterior of houses. The Commission (Chairman Liebel and Commissioner Powell) spoke at length about allowing regulators on the outside but require meters to be installed on the inside. They stated it “seems to be prudent to have the regulators on the outside.”
- Exterior installations as a requirement has been a recent shift in BGE’s policy (stated 3/22) based on the Branch Flower Act.
- Only BGE can request an exemption from the Public Service Commission to install regulators on the outside. BGE bases their exemption requests on technical engineering and construction factors.

### **Legal Considerations:**

- CHAP staff has the authority to approve these installations based upon the determination the installations are “minor work” under City Code, Article 6, § 8-1, and they meet design guidelines 1.13.2. The first bullet of this section directs applicants to “place utility meters [in this case regulators] in the least visually obtrusive location available. Where possible, install meters [in this case regulators] on the building interior or on the rear or secondary elevation.” According to BGE, because of the safety concerns as determined by the Public Service Commission and the National Transportation Safety Board, the regulators need to be placed on the exterior of houses in most cases. Exceptions to this rule must be approved by the Public Service Commission. Relevant State law on the matter does require exterior regulator installation for new gas service and for multi-unit dwellings, but appears to be silent as it pertains to upgrading existing gas service at single-family dwellings. Md Code, Public Utilities Art., § 7-313.
- DHCD takes the view that a permit is not required for these installations because public service agencies are exempt from permit requirements under Section 105.2.2 of the City Building Code, which references the relevant exemption in the International Building Code: “a permit shall not be required for the installation, alteration or repair of generation, transmission, distribution or metering or other related equipment that is

under ownership and control of the public service agencies by established right.” On the other hand, Section 8-2(a)(1) of Article 6 of the City states that a permit is required for “any reconstruction, alteration or removal of any exterior architectural feature in a CHAP district.” This presumably is why CHAP staff have been receiving the Authorizations-to-proceed for these installations. But this issue might benefit from additional legal research.

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### **Other Considerations:**

- BGE is currently working on creating safe, aesthetically pleasing covers for the gas regulators. They are currently testing several designs in order to meet safety requirements. They have offered to work with CHAP staff on these cover designs.
- BGE has also stated that property owners can place flower pots or other decorative items in front of the regulators as long as they do not exceed 50 pounds.
- There is currently one lawsuit between homeowners and BGE. This lawsuit may affect CHAP actions.
- There is also a letter to CHAP from an attorney representing several homeowners in the Federal Hill Local Historic District. This letter has been shared with you.
- The City Council has also introduced a resolution to hold a public hearing regarding this issue. CHAP has been requested to provide a report and testimony at the hearing.

### **Conclusions:**

CHAP **does not** have the authority to determine if the installation of interior regulators is a safety issue. That determination is made by the Public Service Commission and the National Transportation Safety Board. According to BGE both entities have determined that it is safer to install regulators on the exterior of houses.

At the March 8, 2022 hearing and a recent meeting of the Executive Director of CHAP and BGE officials, BGE has made it explicitly clear that in most cases they will only place the regulators on the exterior of buildings. If homeowners refuse to have exterior regulators installed, BGE will cut off service.

### **NEIGHBORHOOD COMMENTS**

Most of the residents who have voiced their concerns have opposed the installation of gas regulators on the exterior of their property. These regulators disrupt and contrast with the historic character of local historic districts. Few residents have supported the exterior installation of these regulators because of safety concerns.

### **RECOMMENDATIONS**

Staff suggests that the Commission hold a formal public hearing requesting the testimony from BGE, Public Service Commission, and stakeholders. At this hearing, the Commission can

formally approve the current process, change the process or vote to disapprove exterior installations of the regulators. The Commission may want to schedule a special hearing on this subject. Because any decision by the Commission will have legal ramifications, CHAP staff will consult the Law Department.

Because this issue includes all neighborhoods in Baltimore, staff will offer design support to BGE for cover designs.

A handwritten signature in black ink, appearing to read "E. S. Holcomb". The signature is written in a cursive style with a large initial "E" and a long, sweeping underline.

Eric Holcomb  
Executive Director