



## Safe and Reliable Service for Our Customers Comes First

**B**GE takes its responsibility to deliver energy safely and reliably to our 1.1 million customers seriously. A major part of achieving our vision as a recognized leader in energy delivery is to make significant financial investments in our assets to enhance service and reliability to our customers. BGE continues to improve reliability by investing in programs that prevent service interruptions and improving processes designed to more quickly restore service.

Since 1995, BGE spent more than \$560 million on reliability improvements to our electrical system. In 2003 alone, we will invest \$69 million—slightly more than our annual average of \$68 million since 2000.

	1995	1996	1997	1998	1999	2000	2001	2002	2003
Distribution Projects and Programs	\$27.71	\$37.87	\$40.10	\$42.82	\$38.20	\$53.54	\$47.96	\$47.68	\$57.59
Substation Projects and Programs	8.34	8.01	12.32	13.93	21.60	14.92	11.50	8.48	7.83
System Relay and Control Projects and Programs	1.24	1.69	2.84	3.43	4.64	2.49	3.11	1.52	2.41
Transmission Projects and Programs	3.17	3.63	4.56	6.79	5.42	6.27	5.60	1.28	1.16
<b>BGE Reliability Spending Totals (in Millions)</b>	<b>40.46</b>	<b>51.20</b>	<b>59.82</b>	<b>66.97</b>	<b>69.86</b>	<b>77.22</b>	<b>68.17</b>	<b>58.96</b>	<b>68.99</b>

### Our Reliability Programs

Our service territory spans more than 2,300 square miles across eight counties and Baltimore City. Our system consists of more than 9,000 miles of overhead lines and 13,000 miles of underground lines. Maintaining reliable electric service for our customers is a challenge that BGE meets daily.

#### Tree Trimming Program

To help prevent potential outages, BGE routinely trims trees that may interfere with our electric lines. We work with licensed tree experts to trim more than two million trees over a four-year cycle. Since 1999, BGE spent an average of \$17.8 million each year on its Tree Trimming Program and expects to spend approximately \$19.1 million in 2003. The result is enhanced reliability and increased customer safety. Vegetation kept free from the lines reduces the chances of a falling branch or tree taking down a power line and helps to keep lines out of our customers' reach.

When trimming, our contractors strictly adhere to industry-standard practices designed to minimize contact of overhanging branches or natural tree growth with our electric lines. Sometimes it is necessary to remove an entire tree, especially if the tree has structural defects that could cause it to fall and damage overhead equipment. In all instances, the health of the tree is always examined and considered before trimming occurs.



How can you help keep trees from coming in contact with power lines? The Maryland Electric Reliability Tree Trimming Council, of which BGE is a member, recommends the “Right Tree—Right Place” concept. This initiative encourages the planting of slow- and low-growing trees and shrubs when planting near power lines. For more information on which trees and shrubs are best, go to our Web site, [www.bge.com](http://www.bge.com).

*continued*

### **Automated Technology**

In recent years, BGE increased its spending on new technology to automate our distribution and substation equipment.

Installing this equipment provides us with greater operational and informational capabilities and improves restoration times during substation and individual distribution outages.

Spending in 2003 is forecasted to be \$3.6 million. BGE has also budgeted \$2.4 million to install automation equipment at substations that have not yet been automated.

### **Equipment Replacement**

Each year, BGE inspects its worst performing overhead circuits and replaces or repairs the necessary components, such as damaged equipment or materials. Additional wildlife or lightning protection or fusing might also be installed. The Maryland Public Service Commission mandates that the worst 2 percent of feeder lines be addressed each year. BGE routinely doubles that percentage.

Poor-performing equipment may also be found underground. More than 60 percent of BGE's distribution system is below ground. In fact, a 1969 Maryland law mandates that all power lines associated with new construction be placed underground. Replacing aging underground cable continues to be a priority at BGE. Since 1999, our spending on underground cable replacements has increased by nearly 40 percent. In 2003, BGE is projected to spend almost \$16.5 million on cable replacements.

### **IT Systems Enhancements**

A new, high-tech Outage Management System was recently installed to help BGE better track customer outages. During Hurricane Isabel, this new tool proved invaluable to our restoration efforts, allowing us to pinpoint outage locations. Our call management systems have also been upgraded to allow us to handle thousands of calls at once. In fact, during Hurricane Isabel, BGE successfully handled more than 710,000 calls from customers, 15 percent of our annual call volume.

### **What's the Return on Our Investments?**

BGE's electric service reliability has steadily improved. And that's good news for our customers. Since 1994, our average number of annual sustained customer interruptions dropped by 25 percent and the number of customers with more than 3 interruptions in one year was cut by 40 percent.

### **BGE's Commitment to a Reliable Electric System Remains Strong**

At BGE, we continue to be a recognized leader in energy delivery. Our customers have counted on BGE for almost 190 years for safe and reliable service. The investments and enhancements ensure that our service remains reliable and safe.



**Constellation Energy**<sup>®</sup>

The way energy **works.**<sup>™</sup>

constellation.com