Buy America –
Utility Company Operations Compliance Perspective

AASHTO Subcommittee on R/W & Utilities
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Buy America – Utility Perspective

- BGE is an investor owned electric and natural gas public utility serving 2M natural gas and electric customers in central Maryland
- Coordinates with the Maryland State Highway Administration
- Member of the American Gas Association
- Gas operations are under the regulation of the U.S. Department of Transportation – PHMSA and the Maryland Public Service Commission
BGE – Service Territory in Central Maryland
Buy America – Gas & Electric Utility Scope

- Utility work associated with highway projects is now covered by statute
- Typical impact is relocation of existing facilities (pipelines, electric OH/UG lines)
- Work is performed by utility company crews, utility company contractors, or within the highway contract by the general contractor
- Many utilities operate across several states
Buy America – Utility Focus: Utility Materials

- Unlike individual highway projects (i.e. bridge contracts), utilities perform routine work across the system not specific to road projects.
- All utilities maintain stock materials for routine work, emergencies, and new service requests. Total yearly material spend exceeds $75M.
- Material specification is governed by Federal code (DOT), state regulations (PUC/PSC) and industry standards (ANSI/API/etc.) – current system standard materials.
- Estimated materials impact (iron/steel criteria) associated with Buy America is requirements outside of current specifications.

Thus – potential need for special orders/customization which impacts project schedules.

Potential cost impacts.
Buy America – Utility Materials

- Limited supplier base – specialized products in a domestic and international marketplace
- Need to identify potential materials associated with Buy America
- Outreach to educate industry suppliers on the application of Buy America – new information
- Determine impacts and limitations on manufacturing processes
- Variations from the water/sewer/storm industry
Buy America – Considerations

- Material Certification:
- Different materials will require varied levels/types of documentation
- Certification acceptance effect on schedules
- Individual project material waivers not practical
- Guidance is essential
Buy America – Considerations for AASHTO

- Interest in industry certifications - database
- Advance notifications and identification of scope earlier in planning
- Guidance on cost reimbursement for additional materials acquisition
- Utility industry waivers – potential for support with FHWA
- PSC mandates material reliability which may not align with the FHWA mandate for Buy America
- Finding issues before they “hit the field”
Buy America – Utilities Compliance

- Thank you

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- Examples of Industry organizations:
  - AGA
  - INGAA
  - APGA
  - IEEE
  - PHMSA
  - State Public Service Commissions