

Baltimore Gas & Electric Co.

Baltimore Gas & Electric Co.
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Phone: 4107833624
<http://www.bge.com/>

Description : Constellation Energy's leading light is regulated utility Baltimore Gas and Electric (BGE). BGE has nearly 1.2 million electricity customers and 610,000 gas customers in central Maryland. Constellation's merchant division trades and markets energy through subsidiary [Constellation Power Source](#), which ranks among the top marketers in North America. The division also operates independent power plants in the US that generate more than 11,000 MW of capacity. Other nonutility operations include a district cooling system in Baltimore, heating and air-conditioning services, onsite energy system installation, consulting services, and retail energy sales

Asbestos Discussion from SEC filings:

From the Company's Form 10-K for the period ending December 31, 2002 at
<http://www.sec.gov/Archives/edgar/data/9466/000091205702012624/a2074027z10-k.htm>
Filed On: March 29, 2002

Since 1993, BGE has been involved in several actions concerning asbestos. The actions are based upon the theory of "premises liability," alleging that BGE knew of and exposed individuals to an asbestos hazard. The actions relate to two types of claims.

The first type is direct claims by individuals exposed to asbestos. BGE is involved in these claims with approximately 70 other defendants. Approximately 545 individuals that were never employees of BGE each claim \$6 million in damages (\$2 million compensatory and \$4 million punitive). These claims were filed in the Circuit Court for Baltimore City, Maryland in the summer of 1993. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts

BGE does not know include:

- the identity of BGE's facilities at which the plaintiffs allegedly worked as contractors,
- the names of the plaintiff's employers, and
- the date on which the exposure allegedly occurred.

To date, 36 of these cases were settled for amounts that were not significant.

The second type is claims by one manufacturer—Pittsburgh Corning Corp. (PCC)—against BGE and approximately eight others, as third-party defendants. On April 17, 2000, PCC declared bankruptcy, and BGE does not expect PCC to prosecute these claims.

These claims relate to approximately 1,500 individual plaintiffs and were filed in the Circuit Court for Baltimore City, Maryland in the fall of 1993. To date, about 375 cases have been resolved, all without any payment by BGE. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts we do not know include:

- the identity of BGE facilities containing asbestos manufactured by the manufacturer,
- the relationship (if any) of each of the individual plaintiffs to BGE,

Asbestos Discussion from SEC filings:

From the Company's Form 10-Q for the quarter ended March 31, 2003

<http://www.sec.gov/Archives/edgar/data/9466/000104746903018396/a2110929z10-q.htm>

Filed On: May 14, 2003

Since 1993, BGE has been involved in several actions concerning asbestos. The actions are based upon the theory of "premises liability," alleging that BGE knew of and exposed individuals to an asbestos hazard. The actions relate to two types of claims.

The first type is direct claims by individuals exposed to asbestos. BGE is involved in these claims with approximately 70 other defendants. Approximately 560 individuals that were never employees of BGE each claim \$6 million in damages (\$2 million compensatory and \$4 million punitive). These claims are currently pending in state courts in Maryland, Pennsylvania, and New York. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts BGE does not know include:

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- the settlement amounts for any individual plaintiffs who are shown to have had a relationship to BGE, and

- the dates on which/places at which the exposure allegedly occurred.

Until the relevant facts for both types of claims are determined, BGE is unable to estimate what its liability, if any, might be. Although insurance and hold harmless agreements from contractors who employed the plaintiffs may cover a portion of any awards in the actions, the potential liability could be material.

the identity of BGE's facilities at which the plaintiffs allegedly worked as contractors,

- the names of the plaintiff's employers,
- the date on which the exposure allegedly occurred, and

- the facts and circumstances relating to the alleged exposure.

To date, 105 of these cases were dismissed or resolved for amounts that were not significant. Approximately 270 cases are scheduled for trial for the remainder of 2003.

The second type is claims by one manufacturer—Pittsburgh Corning Corp. (PCC)—against BGE and approximately eight others, as third-party defendants. On April 17, 2000, PCC declared bankruptcy.

These claims relate to approximately 1,500 individual plaintiffs and were filed in the Circuit Court for Baltimore City, Maryland in the fall of 1993. To date, about 375 cases have been resolved, all without any payment by BGE. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts we do not know include:

- the identity of BGE facilities containing asbestos manufactured by the manufacturer,
- the relationship (if any) of each of the individual plaintiffs to BGE,
- the settlement amounts for any individual plaintiffs who are shown to have had a relationship to BGE,

Asbestos Discussion from SEC filings:

From the Company's Form 10-Q for the quarter ended September 30, 2002

<http://www.sec.gov/Archives/edgar/data/9466/000100444002000154/f10q.htm>

Filed On: November 14, 2002

Since 1993, BGE has been involved in several actions concerning asbestos. The actions are based upon the theory of "premises liability," alleging that BGE knew of and exposed individuals to an asbestos hazard. The actions relate to two types of claims.

The first type is direct claims by individuals exposed to asbestos. BGE is involved in these claims with approximately 70 other defendants. Approximately 575 individuals that were never employees of BGE each claim \$6 million in damages (\$2 million compensatory and \$4 million punitive). These claims were filed in the Circuit Court for Baltimore City, Maryland beginning in the summer of 1993. BGE does not know the specific facts necessary to estimate its

- the dates on which/places at which the exposure allegedly occurred, and
- the facts and circumstances relating to the alleged exposure.

Until the relevant facts for both types of claims are determined, we are unable to estimate what our, or BGE's, liability might be. Although insurance and hold harmless agreements from contractors who employed the plaintiffs may cover a portion of any awards in the actions, the potential effect on our, or BGE's, financial results could be material.

potential liability for these claims. The specific facts BGE does not know include:

- o the identity of BGE's facilities at which the plaintiffs allegedly worked as contractors,
- o the names of the plaintiff's employers, and
- o the date on which the exposure allegedly occurred.

To date, 50 of these cases were settled for amounts that were not significant.

The second type is claims by one manufacturer--Pittsburgh Corning Corp. (PCC)--against BGE and approximately eight others, as third-party defendants. On April 17, 2000, PCC declared bankruptcy.

These claims relate to approximately 1,500 individual plaintiffs and were filed in the Circuit Court for Baltimore City, Maryland in the fall of 1993. To date, about 375 cases have been resolved, all without any payment by BGE. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts we do not know include:

- o the identity of BGE facilities containing asbestos manufactured by the manufacturer,
- o the relationship (if any) of each of the individual plaintiffs to BGE,

Asbestos Discussion from SEC filings:

From the Company's Form 10-Q for the quarter ended June 30, 2002

<http://www.sec.gov/Archives/edgar/data/9466/000100444002000132/f10q2q02.txt>

Filed On: August 14, 2002

Since 1993, BGE has been involved in several actions concerning asbestos. The actions are based upon the theory of "premises liability," alleging that BGE knew of and exposed individuals to an asbestos hazard. The actions relate to two types of claims.

The first type is direct claims by individuals exposed to asbestos. BGE is involved in these claims with approximately 70 other defendants. Approximately 565 individuals that were never employees of BGE each claim \$6 million in damages (\$2 million compensatory and \$4 million punitive). These claims were filed in the Circuit Court for Baltimore City, Maryland beginning in the summer of 1993. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts BGE does not know include:

- o the identity of BGE's facilities at which the plaintiffs allegedly

- o the settlement amounts for any individual plaintiffs who are shown to have had a relationship to BGE, and
- o the dates on which/places at which the exposure allegedly occurred.

Until the relevant facts for both types of claims are determined, we are unable to estimate what our, or BGE's, liability, might be. Although insurance and hold harmless agreements from contractors who employed the plaintiffs may cover a portion of any awards in the actions, the potential effect on our, or BGE's, financial results could be material.

- worked as contractors,
- o the names of the plaintiff's employers, and
- o the date on which the exposure allegedly occurred.

To date, 47 of these cases were settled for amounts that were not significant.

The second type is claims by one manufacturer--Pittsburgh Corning Corp. (PCC)--against BGE and approximately eight others, as third-party defendants. On April 17, 2000, PCC declared bankruptcy, and BGE does not expect PCC to prosecute these claims.

These claims relate to approximately 1,500 individual plaintiffs and were filed in the Circuit Court for Baltimore City, Maryland in the fall of 1993. To date, about 375 cases have been

resolved, all without any payment by BGE. BGE does not know the specific facts necessary to estimate its potential liability for these claims. The specific facts we do not know include:

- o the identity of BGE facilities containing asbestos manufactured by the manufacturer,
- o the relationship (if any) of each of the individual plaintiffs to BGE,
- o the settlement amounts for any individual plaintiffs who are shown to

have had a relationship to BGE, and

- o the dates on which/places at which the exposure allegedly occurred.

Until the relevant facts for both types of claims are determined, BGE is unable to estimate what its liability, if any, might be. Although insurance and hold harmless agreements from contractors who employed the plaintiffs may cover a portion of any awards in the actions, the potential liability could be material.

Asbestos-Related News:

[Continues to Face Several Asbestos Related Lawsuits \(Published November 01, 2002\)](#)