

# HOUSE BILL 784

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By: **Delegates Impallaria and Reilly**

Introduced and read first time: February 1, 2018

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Electric Facilities – Construction of Overhead Transmission Lines – Repeal of**  
3 **Condemnation Authority, Location, and Workgroup**

4 FOR the purpose of repealing the authority of a person to which a certain certificate of  
5 public convenience and necessity is issued for the construction of a certain overhead  
6 transmission line to acquire certain property or rights by condemnation; prohibiting  
7 the Public Service Commission from issuing a certificate of public convenience and  
8 necessity for the construction of an overhead transmission line that is designed to  
9 carry a certain voltage unless the overhead transmission line will be located on  
10 certain sites or on land subject to a certain easement; authorizing the Commission  
11 to issue a certificate of public convenience and necessity for the construction of an  
12 overhead transmission line at a location other than certain sites or on land subject  
13 to a certain easement under certain circumstances; establishing the Workgroup on  
14 Overhead Transmission Lines; providing for the composition, chair, and staffing of  
15 the Workgroup; prohibiting a member of the Workgroup from receiving certain  
16 compensation, but authorizing the reimbursement of certain expenses; requiring the  
17 Workgroup to study certain matters; requiring the Workgroup to report its findings  
18 to the Governor and the General Assembly on or before a certain date; defining  
19 certain terms; providing for the termination of certain provisions of this Act; and  
20 generally relating to overhead transmission lines.

21 BY repealing and reenacting, with amendments,  
22 Article – Public Utilities  
23 Section 7–207  
24 Annotated Code of Maryland  
25 (2010 Replacement Volume and 2017 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
27 That the Laws of Maryland read as follows:

28 **Article – Public Utilities**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 7-207.

2 (a) (1) (i) In this section and § 7-208 of this subtitle, “construction” means:

3 1. any physical change at a site, including fabrication,  
4 erection, installation, or demolition; or

5 2. the entry into a binding agreement or contractual  
6 obligation to purchase equipment exclusively for use in construction in the State or to  
7 undertake a program of actual construction in the State which cannot be canceled or  
8 modified without substantial loss to the owner or operator of the proposed generating  
9 station.

10 (ii) “Construction” does not include a change that is needed for the  
11 temporary use of a site or route for nonutility purposes or for use in securing geological  
12 data, including any boring that is necessary to ascertain foundation conditions.

13 (2) (I) In this section [, “qualified] **THE FOLLOWING WORDS HAVE**  
14 **THE MEANINGS INDICATED.**

15 (II) **“BROWNFIELDS SITE” MEANS:**

16 1. **A FORMER INDUSTRIAL OR COMMERCIAL SITE**  
17 **IDENTIFIED BY FEDERAL OR STATE LAWS OR REGULATION AS CONTAMINATED OR**  
18 **POLLUTED;**

19 2. **A CLOSED LANDFILL REGULATED BY THE**  
20 **DEPARTMENT OF THE ENVIRONMENT; OR**

21 3. **MINED LAND.**

22 (III) 1. **“MINED LAND” MEANS THE SURFACE OR**  
23 **SUBSURFACE OF AN AREA IN WHICH SURFACE MINING OPERATIONS WILL BE, ARE**  
24 **BEING, OR HAVE BEEN CONDUCTED.**

25 2. **“MINED LAND” INCLUDES:**

26 **A. PRIVATE WAYS AND ROADS USED FOR MINING**  
27 **APPURTENANT TO ANY SURFACE MINING AREA;**

28 **B. LAND EXCAVATIONS;**

29 **C. WORKINGS; AND**

1                                   **D.    OVERBURDEN.**

2                                   **(IV) “QUALIFIED generator lead line”** means an overhead  
3 transmission line that is designed to carry a voltage in excess of 69,000 volts and would  
4 allow an out-of-state Tier 1 or Tier 2 renewable source to interconnect with a portion of  
5 the electric system in Maryland that is owned by an electric company.

6           (b)   (1)   (i)    Unless a certificate of public convenience and necessity for the  
7 construction is first obtained from the Commission, a person may not begin construction in  
8 the State of:

9                                   1.    a generating station; or

10                                  2.    a qualified generator lead line.

11                                  (ii)   If a person obtains Commission approval for construction under  
12 § 7-207.1 of this subtitle, the Commission shall exempt a person from the requirement to  
13 obtain a certificate of public convenience and necessity under this section.

14                                  (iii)   Notwithstanding subparagraph (i) of this paragraph, a person  
15 may not apply to obtain a certificate of public convenience and necessity for construction of  
16 a qualified generator lead line unless:

17                                   1.    at least 90 days before the filing of an application for a  
18 certificate of public convenience and necessity, the person had in good faith offered the  
19 electric company that owns that portion of the electric grid in Maryland to which the  
20 qualified generator lead line would interconnect a full and fair opportunity for the electric  
21 company to construct the qualified generator lead line; and

22                                   2.    at any time at least 10 days before the filing of an  
23 application for a certificate of public convenience and necessity, the electric company:

24                                   A.    did not accept from the person a proposal or a negotiated  
25 version of the proposal under which the electric company would construct the qualified  
26 generator lead line; or

27                                   B.    stated in writing that the electric company did not intend  
28 to construct the qualified generator lead line.

29           (2)   Unless a certificate of public convenience and necessity for the  
30 construction is first obtained from the Commission, and the Commission has found that the  
31 capacity is necessary to ensure a sufficient supply of electricity to customers in the State, a  
32 person may not exercise a right of condemnation in connection with the construction of a  
33 generating station.

34           (3)   (i)    Except as provided in paragraph (4) of this subsection, unless a  
35 certificate of public convenience and necessity for the construction is first obtained from the

1 Commission, a person may not begin construction of an overhead transmission line that is  
2 designed to carry a voltage in excess of 69,000 volts or exercise a right of condemnation  
3 with the construction.

4 (ii) For construction related to an existing overhead transmission  
5 line, the Commission may waive the requirement in subparagraph (i) of this paragraph for  
6 good cause.

7 (iii) Notwithstanding subparagraph (i) of this paragraph and subject  
8 to subparagraph (iv) of this paragraph, the Commission may issue a certificate of public  
9 convenience and necessity for the construction of an overhead transmission line only if the  
10 applicant for the certificate of public convenience and necessity:

11 1. is an electric company; or

12 2. is or, on the start of commercial operation of the overhead  
13 transmission line, will be subject to regulation as a public utility by an officer or an agency  
14 of the United States.

15 (iv) The Commission may not issue a certificate of public convenience  
16 and necessity for the construction of an overhead transmission line in the electric  
17 distribution service territory of an electric company to an applicant other than an electric  
18 company if:

19 1. the overhead transmission line is to be located solely  
20 within the electric distribution service territory of that electric company; and

21 2. the cost of the overhead transmission line is to be paid  
22 solely by that electric company and its ratepayers.

23 [(v) 1. This subparagraph applies to the construction of an  
24 overhead transmission line for which a certificate of public convenience and necessity is  
25 required under this section.

26 2. On issuance of a certificate of public convenience and  
27 necessity for the construction of an overhead transmission line, a person may acquire by  
28 condemnation, in accordance with Title 12 of the Real Property Article, any property or  
29 right necessary for the construction or maintenance of the transmission line.]

30 (4) (i) Except as provided in subparagraph (ii) of this paragraph, for  
31 construction related to an existing overhead transmission line designed to carry a voltage  
32 in excess of 69,000 volts, the Commission shall waive the requirement to obtain a certificate  
33 of public convenience and necessity if the Commission finds that the construction does not:

34 1. require the person to obtain new real property or  
35 additional rights-of-way through eminent domain; or

1                                   2.     require larger or higher structures to accommodate:

2                                   A.     increased voltage; or

3                                   B.     larger conductors.

4                                   (ii)    1.     For construction related to an existing overhead  
5 transmission line, including repairs, that is necessary to avoid an imminent safety hazard  
6 or reliability risk, a person may undertake the necessary construction.

7                                   2.     Within 30 days after construction is completed under  
8 subsubparagraph 1 of this subparagraph, a person shall file a report with the Commission  
9 describing the work that was completed.

10                                   **(5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
11 **PARAGRAPH, THE COMMISSION MAY NOT ISSUE A CERTIFICATE OF PUBLIC**  
12 **CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF AN OVERHEAD**  
13 **TRANSMISSION LINE THAT IS DESIGNED TO CARRY A VOLTAGE IN EXCESS OF 69,000**  
14 **VOLTS UNLESS THE OVERHEAD TRANSMISSION LINE WILL BE LOCATED ON:**

15                                   **1.     AN EXISTING BROWNFIELDS SITE;**

16                                   **2.     PROPERTY THAT IS SUBJECT TO AN EXISTING**  
17 **EASEMENT; OR**

18                                   **3.     A SITE WHERE A TOWER STRUCTURE OR COMPONENTS**  
19 **OF A TOWER STRUCTURE USED TO SUPPORT AN OVERHEAD TRANSMISSION LINE**  
20 **EXIST.**

21                                   **(II) THE COMMISSION MAY ISSUE A CERTIFICATE OF PUBLIC**  
22 **CONVENIENCE FOR THE CONSTRUCTION OF AN OVERHEAD TRANSMISSION LINE AT**  
23 **A LOCATION OTHER THAN THE LOCATIONS LISTED IN SUBPARAGRAPH (I) OF THIS**  
24 **PARAGRAPH IF THE COMMISSION DETERMINES THAT THE LOCATIONS LISTED IN**  
25 **SUBPARAGRAPH (I) OF THIS PARAGRAPH ARE AT FULL CAPACITY, AS VERIFIED BY**  
26 **AN INDEPENDENT AUTHORITY.**

27                                   (c)    (1)     On receipt of an application for a certificate of public convenience and  
28 necessity under this section, the Commission shall provide notice immediately or require  
29 the applicant to provide notice immediately of the application to:

30                                   (i)     the Department of Planning;

31                                   (ii)    the governing body, and if applicable the executive, of each  
32 county or municipal corporation in which any portion of the generating station, overhead  
33 transmission line, or qualified generator lead line is proposed to be constructed;

1 (iii) the governing body, and if applicable the executive, of each  
2 county or municipal corporation within 1 mile of the proposed location of the generating  
3 station, overhead transmission line, or qualified generator lead line;

4 (iv) each member of the General Assembly representing any part of  
5 a county in which any portion of the generating station, overhead transmission line, or  
6 qualified generator lead line is proposed to be constructed;

7 (v) each member of the General Assembly representing any part of  
8 each county within 1 mile of the proposed location of the generating station, overhead  
9 transmission line, or qualified generator lead line; and

10 (vi) all other interested persons.

11 (2) The Commission, when sending the notice required under paragraph  
12 (1) of this subsection, shall forward a copy of the application to:

13 (i) each appropriate State unit and unit of local government for  
14 review, evaluation, and comment regarding the significance of the proposal to State,  
15 area-wide, and local plans or programs; and

16 (ii) each member of the General Assembly included under paragraph  
17 (1)(iv) and (v) of this subsection who requests a copy of the application.

18 (d) (1) The Commission shall provide an opportunity for public comment and  
19 hold a public hearing on the application for a certificate of public convenience and necessity  
20 in each county and municipal corporation in which any portion of the construction of a  
21 generating station, an overhead transmission line designed to carry a voltage in excess of  
22 69,000 volts, or a qualified generator lead line is proposed to be located.

23 (2) The Commission shall hold the public hearing jointly with the  
24 governing body of the county or municipal corporation in which any portion of the  
25 construction of the generating station, overhead transmission line, or qualified generator  
26 lead line is proposed to be located, unless the governing body declines to participate in the  
27 hearing.

28 (3) (i) Once in each of the 4 successive weeks immediately before the  
29 hearing date, the Commission shall provide weekly notice of the public hearing and an  
30 opportunity for public comment:

31 1. by advertisement in a newspaper of general circulation in  
32 the county or municipal corporation affected by the application;

33 2. on two types of social media; and

34 3. on the Commission's Web site.

1 (ii) Before a public hearing, the Commission shall coordinate with  
2 the governing body of the county or municipal corporation in which any portion of the  
3 construction of the generating station, overhead transmission line, or qualified generator  
4 lead line is proposed to be located to identify additional options for providing, in an efficient  
5 and cost-effective manner, notice of the public hearing through other types of media that  
6 are familiar to the residents of the county or municipal corporation.

7 (4) (i) On the day of a public hearing, an informational sign shall be  
8 posted prominently at or near each public entrance of the building in which the public  
9 hearing will be held.

10 (ii) The informational sign required under subparagraph (i) of this  
11 paragraph shall:

12 1. state the time, room number, and subject of the public  
13 hearing; and

14 2. be at least 17 by 22 inches in size.

15 (5) (i) The Commission shall ensure presentation and  
16 recommendations from each interested State unit, and shall allow representatives of each  
17 State unit to sit during hearing of all parties.

18 (ii) The Commission shall allow each State unit 15 days after the  
19 conclusion of the hearing to modify the State unit's initial recommendations.

20 (e) The Commission shall take final action on an application for a certificate of  
21 public convenience and necessity only after due consideration of:

22 (1) the recommendation of the governing body of each county or municipal  
23 corporation in which any portion of the construction of the generating station, overhead  
24 transmission line, or qualified generator lead line is proposed to be located;

25 (2) the effect of the generating station, overhead transmission line, or  
26 qualified generator lead line on:

27 (i) the stability and reliability of the electric system;

28 (ii) economics;

29 (iii) esthetics;

30 (iv) historic sites;

31 (v) aviation safety as determined by the Maryland Aviation  
32 Administration and the administrator of the Federal Aviation Administration;

1 (vi) when applicable, air and water pollution; and

2 (vii) the availability of means for the required timely disposal of  
3 wastes produced by any generating station; and

4 (3) for a generating station:

5 (i) the consistency of the application with the comprehensive plan  
6 and zoning of each county or municipal corporation where any portion of the generating  
7 station is proposed to be located; and

8 (ii) the efforts to resolve any issues presented by a county or  
9 municipal corporation where any portion of the generating station is proposed to be located.

10 (f) For the construction of an overhead transmission line, in addition to the  
11 considerations listed in subsection (e) of this section, the Commission shall:

12 (1) take final action on an application for a certificate of public convenience  
13 and necessity only after due consideration of the need to meet existing and future demand  
14 for electric service; and

15 (2) require as an ongoing condition of the certificate of public convenience  
16 and necessity that an applicant complies with:

17 (i) all relevant agreements with PJM Interconnection, L.L.C., or its  
18 successors, related to the ongoing operation and maintenance of the overhead transmission  
19 line; and

20 (ii) all obligations imposed by the North America Electric Reliability  
21 Council and the Federal Energy Regulatory Commission related to the ongoing operation  
22 and maintenance of the overhead transmission line.

23 (g) (1) The Commission may not authorize, and a person may not undertake,  
24 the construction of an overhead transmission line that is aligned with and within 1 mile of  
25 either end of a public airport runway, unless:

26 (i) the Federal Aviation Administration determines that the  
27 construction of an overhead transmission line will not constitute a hazard to air navigation;  
28 and

29 (ii) the Maryland Aviation Administration concurs in that  
30 determination.

31 (2) A privately owned airport runway shall qualify as a public airport  
32 runway under this subsection only if the runway has been on file with the Federal Aviation  
33 Administration for at least 2 years as being open to the public without restriction.



1 SECTION 2. AND BE IT FURTHER ENACTED, That:

2 (a) There is a Workgroup on Overhead Transmission Lines.

3 (b) The Workgroup consists of the following members:

4 (1) the Chair of the Public Service Commission, or the Chair's designee;  
5 and

6 (2) the following members, appointed by the Governor:

7 (i) three individuals who own land that has been, is, or will be  
8 impacted by the condemnation of land for the construction or maintenance of an overhead  
9 transmission line;

10 (ii) one representative of the fossil fuel industry; and

11 (iii) one representative of the renewable energy industry.

12 (c) The Chair of the Public Service Commission, or the Chair's designee, shall  
13 chair the Workgroup.

14 (d) The Public Service Commission shall provide staff for the Workgroup.

15 (e) A member of the Workgroup:

16 (1) may not receive compensation as a member of the Workgroup; but

17 (2) is entitled to reimbursement for expenses under the Standard State  
18 Travel Regulations, as provided in the State budget.

19 (f) The Workgroup shall examine:

20 (1) whether the authority to condemn land for the construction or  
21 maintenance of an overhead transmission line is necessary;

22 (2) whether private companies should have the authority to condemn land  
23 for the construction or maintenance of an overhead transmission line;

24 (3) how to adequately compensate a person whose property or right is  
25 condemned for the construction or maintenance of an overhead transmission line, including  
26 valuing the property or right without reduction based on the value of development or other  
27 rights restricted by a permanent conservation easement or another form of land  
28 preservation program;

29 (4) whether there are other methods to acquire land for the construction or

1 maintenance of an overhead transmission line; and

2 (5) how to meet the State's energy demands without:

3 (i) increasing the amount of energy in the State from renewable  
4 sources or out-of-state sources; and

5 (ii) constructing new overhead transmission lines.

6 (g) On or before December 31, 2018, the Workgroup shall report its findings to  
7 the Governor and, in accordance with § 2-1246 of the State Government Article, the  
8 General Assembly.

9 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
10 1, 2018. Section 2 of this Act shall remain effective for a period of 1 year and 1 month and,  
11 at the end of June 30, 2019, Section 2 of this Act, with no further action required by the  
12 General Assembly, shall be abrogated and of no further force and effect.