

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1632
Economic Matters

(Delegate R. Lewis, *et al.*)

Public Service Commission – Certificate of Public Convenience and Necessity –
Rapid Health Impact Assessment Requirement

This bill requires an applicant for a Certificate of Public Convenience and Necessity (CPCN) for the construction of a generating station, an overhead transmission line, or a qualified generator lead line (project) to conduct a rapid health impact assessment (HIA), as defined, on the project and report on its findings. The applicant must complete the rapid HIA (1) by contracting with a person with relevant expertise or (2) in accordance with any relevant guidance from specified State and local government units. The applicant must submit the rapid HIA report within 45 days of the initial application. The Public Service Commission (PSC) must take final action on the CPCN application only after due consideration of the findings from the rapid HIA.

Fiscal Summary

State Effect: State agencies involved in the CPCN process can review rapid HIA reports with existing budgeted resources. The bill does not otherwise materially affect State finances or operations.

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Minimal.

Analysis

Current Law: A CPCN applicant is not required to conduct a rapid HIA or submit the related report as part of the CPCN process.

Generally, a person may not begin construction in the State of a generating station, overhead transmission line, or a qualified generator lead line unless a CPCN is first obtained from PSC. The application process involves notifying specified stakeholders, public hearings, and the consideration of recommendations by State and local government entities and the project's effect on various aspects of the State infrastructure, economy, and environment. There are conditions under which a person constructing a generating station may apply to PSC for an exemption from the CPCN requirement.

PSC must take final action on a CPCN application only after due consideration of the recommendations of the governing body of each county or municipality in which any portion of the project is proposed to be located and the effect of the project on various aspects of the State infrastructure, economy, and environment. For example, PSC must consider the effect of the project on the stability and reliability of the electric system and, when applicable, air and water pollution.

Background: The licensing of new electric generating stations in the State is a comprehensive two-part process involving PSC and several other State agencies, *e.g.*, the Department of Natural Resources and the Maryland Department of the Environment. PSC is the lead agency for licensing the siting, construction, and operation of power plants in the State.

Additional Information

Prior Introductions: None.

Cross File: SB 1142 (Senator Nathan-Pulliam) - Rules.

Information Source(s): Public Service Commission; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2018
mm/lgc

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