

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 784
Economic Matters

(Delegates Impallaria and Reilly)

Finance

Electric Facilities – Construction of Overhead Transmission Lines – Additional
Notice Requirements

This bill requires the Public Service Commission (PSC) to provide notice of an application for a Certificate of Public Convenience and Necessity (CPCN) on its social media platforms and website. For the construction of an overhead transmission line, PSC must require the CPCN applicant to identify whether it is proposed be constructed on (1) an existing brownfields site, as defined; (2) property subject to an existing easement; or (3) a site where a tower structure or components of a tower structure used to support an overhead transmission line exist. **The bill takes effect June 1, 2018.**

Fiscal Summary

State Effect: PSC can handle the bill’s requirements with existing budgeted resources. The bill does not otherwise materially affect State finances or operations.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Generally, a person may not begin construction in the State of a generating station, overhead transmission line, or a qualified generator lead line (project) 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.

Overhead Transmission Lines

Generally, unless a CPCN for the construction is first obtained from PSC, a person may not begin construction of an overhead transmission line that is designed to carry a voltage in excess of 69,000 volts or exercise a right of condemnation with the construction. Such a CPCN may only be issued to an electric company or a person that will be subject to regulation as a public utility by an officer or an agency of the United States at the start of commercial operation.

A person that has received a CPCN from PSC for the construction of an overhead transmission line may acquire any property or right necessary for the construction or maintenance of the transmission line, in accordance with eminent domain provisions in the Real Property Article. There is no further approval needed from PSC beyond the CPCN.

As noted above, the CPCN application process involves public hearings. At least 30 days before a hearing, a public service company must provide written notice to each owner of land, by certified mail, of intent to run a line or similar transmission device over, on, or under the land. The public service company must determine the property owners from current tax assessment records. Unless willful or deliberate, the failure of a public service company to provide notice does not invalidate a public hearing or require that another hearing take place.

Background: The licensing of new electric power plants 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 (MDE). PSC is the lead agency for licensing the siting, construction, and operation of power plants in the State.

MDE maintains a list of brownfields sites on its [website](#).

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission; Judiciary (Administrative Office of the Courts); Maryland Department of the Environment; Department of Housing and Community Development; Department of Legislative Services

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