

February 13, 2020

HB 109: Public Service Commission – Certificate of Public Convenience and Necessity – Rapid Health Impact Assessment and Final Action

Committee: House Economic Matters

Position: Opposed

Southern Maryland Electric Cooperative (SMECO), a member-owned electric cooperative based in Hughesville that provides electricity to more than 165,000 customers in Charles, St. Mary's, Calvert and southern Prince George's County, opposes HB 109. The bill requires an applicant for a certificate of public convenience and necessity (CPCN) for certain construction to conduct a rapid health impact assessment (HIA) on the project and report on its findings.

SMECO opposes the bill because the current CPCN process already ensures that all environmental, historical, ratepayer impacts and other considerations are addressed by the applicant. The 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.

With this process already in place, why is this bill necessary?

SMECO is committed to the communities we serve and this is demonstrated through the completion of our Reliability Project. In 2014 SMECO completed the Southern Maryland Reliability Project, a 230,000-volt transmission line that stretches 30 miles from northern Calvert County, under the Patuxent River near Solomons Island to southern St. Mary's County. This was a 7-year project costing more than \$100 million and was built on time and on-budget because of the CPCN process and the partnerships SMECO has with the community. Through our open houses, public meetings, briefings with local elected officials, newsletter updates, one-on-one meetings with landowners and other communication methods, the Reliability Project was put into service in 2014 and has been a vital source of reliability for our customer-members since.

SMECO continues to be dedicated to delivering safe, reliable electricity at the lowest possible price. And, the current CPCN process as it exists is a good tool that ensures the impact of a new electric generating station is addressed.

For more information, contact: Natalie Cotton, SMECO

Government Affairs and Community Relations Director

1-888-440-3311 P.O. Box 1937, Hughesville, MD 20637 www.smeco.coop

People. Power. Progress.

Additionally, HB 308 of 2019, a similar bill, passed the House Economic Matters Committee and was referred to the Senate Finance Committee but no further action was taken. HB 1632 of 2018, a similar bill, received an unfavorable report from the House Economic Matters Committee. Its cross file, SB 1142, was withdrawn without a hearing.

SMECO respectfully requests an unfavorable report on HB 109.