

# HOUSE BILL 579

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CF SB 474

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By: **The Speaker (By Request – Administration) and Delegates Allen, Amprey, Anderton, Bagnall, Bhandari, Boyce, Buckel, Conaway, Crutchfield, Edelson, Fennell, Grossman, Guyton, Harris, Henson, Hill, Hornberger, Jackson, A. Johnson, S. Johnson, D. Jones, Kaiser, Kaufman, J. Long, Love, McCaskill, Miller, Munoz, Pasteur, Patterson, Phillips, Pippy, Pruski, Reilly, Roberson, Roberts, Rogers, Rose, Ruff, Simmons, Simpson, Spiegel, Taveras, Taylor, Toles, Tomlinson, Turner, Valderrama, Watson, Williams, and Wu**

Introduced and read first time: January 24, 2024

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Certificate of Public Convenience and Necessity and Related Approvals –**  
3 **Definition of Generating Station**  
4 **(Critical Infrastructure Streamlining Act of 2024)**

5 FOR the purpose of altering and establishing the definition of “generating station” for the  
6 purpose of exempting the construction of certain generating facilities used to produce  
7 electricity for the purpose of onsite emergency backup and certain test and  
8 maintenance operations from the requirement to obtain a certificate of public  
9 convenience and necessity or certain other related approvals under certain  
10 circumstances; and generally relating to generating stations.

11 BY repealing and reenacting, without amendments,  
12 Article – Public Utilities  
13 Section 7–207(a)(1)  
14 Annotated Code of Maryland  
15 (2020 Replacement Volume and 2023 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Public Utilities  
18 Section 7–207(a)(4), 7–207.1(a), 7–207.2(a), and 7–208(a)  
19 Annotated Code of Maryland  
20 (2020 Replacement Volume and 2023 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Public Utilities**

4 7–207.

5 (a) (1) In this section the following words have the meanings indicated.

6 (4) “Generating station” does not include:

7 (i) a generating unit or facility that:

8 1. is used for the production of electricity;

9 2. has the capacity to produce not more than 2 megawatts of  
10 alternating current; and

11 3. is installed with equipment that prevents the flow of  
12 electricity to the electric grid during time periods when the electric grid is out of service;  
13 [or]

14 (ii) a combination of two or more generating units or facilities that:

15 1. are used for the production of electricity from a solar  
16 photovoltaic system or an eligible customer–generator that is subject to the provisions of §  
17 7–306 of this title;

18 2. are located on the same property or adjacent properties;

19 3. have the capacity to produce, when calculated  
20 cumulatively for all generating units or facilities on the property or adjacent property, more  
21 than 2 megawatts but not more than 14 megawatts of alternating current; and

22 4. for each individual generating unit or facility:

23 A. has the capacity to produce not more than 2 megawatts of  
24 alternating current;

25 B. is separately metered by the electric company; and

26 C. does not export electricity for sale on the wholesale market  
27 under an agreement with PJM Interconnection, LLC;

28 **(III) A GENERATING UNIT OR FACILITY THAT:**

1                   **1. IS USED FOR THE PRODUCTION OF ELECTRICITY FOR**  
2 **THE PURPOSE OF:**

3                   **A. ONSITE EMERGENCY BACKUP AT A FACILITY WHEN**  
4 **SERVICE FROM THE ELECTRIC COMPANY IS INTERRUPTED; AND**

5                   **B. TEST AND MAINTENANCE OPERATIONS NECESSARY**  
6 **TO ENSURE FUNCTIONALITY OF THE GENERATING UNIT OR FACILITY IN THE EVENT**  
7 **OF A SERVICE INTERRUPTION FROM THE ELECTRIC COMPANY;**

8                   **2. IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE**  
9 **FLOW OF ELECTRICITY TO THE ELECTRIC GRID; AND**

10                   **3. IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY**  
11 **THE DEPARTMENT OF THE ENVIRONMENT; OR**

12                   **(IV) A COMBINATION OF TWO OR MORE GENERATING UNITS OR**  
13 **FACILITIES THAT SATISFY ITEM (III) OF THIS PARAGRAPH.**

14 7-207.1.

15           (a) In this section, “generating station” does not include:

16                   (1) a generating unit or facility that:

17                           (i) is used for the production of electricity;

18                           (ii) has the capacity to produce not more than 2 megawatts of  
19 alternating current; and

20                           (iii) is installed with equipment that prevents the flow of electricity  
21 to the electric grid during time periods when the electric grid is out of service; [or]

22                   (2) a combination of two or more generating units or facilities that:

23                           (i) are used for the production of electricity from a solar photovoltaic  
24 system or an eligible customer-generator that is subject to the provisions of § 7-306 of this  
25 title;

26                           (ii) are located on the same property or adjacent properties;

27                           (iii) have the capacity to produce, when calculated cumulatively for  
28 all generating units or facilities on the property or adjacent property, more than 2  
29 megawatts but not more than 14 megawatts of alternating current; and

- 1 (iv) for each individual generating unit or facility:
- 2 1. has the capacity to produce not more than 2 megawatts of
- 3 alternating current;
- 4 2. is separately metered by the electric company; and
- 5 3. does not export electricity for sale on the wholesale market
- 6 under an agreement with PJM Interconnection, LLC;

7 **(3) A GENERATING UNIT OR FACILITY THAT:**

8 **(I) IS USED FOR THE PRODUCTION OF ELECTRICITY FOR THE**

9 **PURPOSE OF:**

10 **1. ONSITE EMERGENCY BACKUP AT A FACILITY WHEN**

11 **SERVICE FROM THE ELECTRIC COMPANY IS INTERRUPTED; AND**

12 **2. TEST AND MAINTENANCE OPERATIONS NECESSARY**

13 **TO ENSURE FUNCTIONALITY OF THE GENERATING UNIT OR FACILITY IN THE EVENT**

14 **OF A SERVICE INTERRUPTION FROM THE ELECTRIC COMPANY;**

15 **(II) IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE FLOW**

16 **OF ELECTRICITY TO THE ELECTRIC GRID; AND**

17 **(III) IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY THE**

18 **DEPARTMENT OF THE ENVIRONMENT; OR**

19 **(4) A COMBINATION OF TWO OR MORE GENERATING UNITS OR**

20 **FACILITIES THAT SATISFY ITEM (3) OF THIS SUBSECTION.**

21 7-207.2.

22 (a) In this section, “generating station” does not include:

23 (1) a generating unit or facility that:

24 (i) is used for the production of electricity;

25 (ii) has the capacity to produce not more than 2 megawatts of

26 alternating current; and

27 (iii) is installed with equipment that prevents the flow of electricity

28 to the electric grid during time periods when the electric grid is out of service; [or]

1 (2) a combination of two or more generating units or facilities that:

2 (i) are used for the production of electricity from a solar photovoltaic  
3 system or an eligible customer-generator that is subject to the provisions of § 7-306 of this  
4 title;

5 (ii) are located on the same property or adjacent properties;

6 (iii) have the capacity to produce, when calculated cumulatively for  
7 all generating units or facilities on the property or adjacent property, more than 2  
8 megawatts but not more than 14 megawatts of alternating current; and

9 (iv) for each individual generating unit or facility:

10 1. has the capacity to produce not more than 2 megawatts of  
11 alternating current;

12 2. is separately metered by the electric company; and

13 3. does not export electricity for sale on the wholesale market  
14 under an agreement with PJM Interconnection, LLC;

15 (3) A GENERATING UNIT OR FACILITY THAT:

16 (I) IS USED FOR THE PRODUCTION OF ELECTRICITY FOR THE  
17 PURPOSE OF:

18 1. ONSITE EMERGENCY BACKUP AT A FACILITY WHEN  
19 SERVICE FROM THE ELECTRIC COMPANY IS INTERRUPTED; AND

20 2. TEST AND MAINTENANCE OPERATIONS NECESSARY  
21 TO ENSURE FUNCTIONALITY OF THE GENERATING UNIT OR FACILITY IN THE EVENT  
22 OF A SERVICE INTERRUPTION FROM THE ELECTRIC COMPANY;

23 (II) IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE FLOW  
24 OF ELECTRICITY TO THE ELECTRIC GRID; AND

25 (III) IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY THE  
26 DEPARTMENT OF THE ENVIRONMENT; OR

27 (4) A COMBINATION OF TWO OR MORE GENERATING UNITS OR  
28 FACILITIES THAT SATISFY ITEM (3) OF THIS SUBSECTION.

29 7-208.

1 (a) (1) In this section the following words have the meanings indicated.

2 (2) “Construction” has the meaning stated in § 7–207 of this subtitle.

3 (3) **“GENERATING STATION” DOES NOT INCLUDE:**

4 (I) **A GENERATING UNIT OR FACILITY THAT:**

5 1. **IS USED FOR THE PRODUCTION OF ELECTRICITY FOR**  
6 **THE PURPOSE OF:**

7 **A. ONSITE EMERGENCY BACKUP AT A FACILITY WHEN**  
8 **SERVICE FROM THE ELECTRIC COMPANY IS INTERRUPTED; AND**

9 **B. TEST AND MAINTENANCE OPERATIONS NECESSARY**  
10 **TO ENSURE FUNCTIONALITY OF THE GENERATING UNIT OR FACILITY IN THE EVENT**  
11 **OF AN INTERRUPTION OF SERVICE FROM THE ELECTRIC COMPANY;**

12 2. **IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE**  
13 **FLOW OF ELECTRICITY TO THE ELECTRIC GRID; AND**

14 3. **IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY**  
15 **THE DEPARTMENT OF THE ENVIRONMENT; OR**

16 (II) **A COMBINATION OF TWO OR MORE GENERATING UNITS OR**  
17 **FACILITIES THAT SATISFY ITEM (I) OF THIS PARAGRAPH.**

18 [(3)] (4) “Qualified offshore wind project” has the meaning stated in §  
19 7–701 of this title.

20 [(4)] (5) “Qualified submerged renewable energy line” means:

21 (i) a line carrying electricity supply and connecting a qualified  
22 offshore wind project to the transmission system; and

23 (ii) a line in which the portions of the line crossing any submerged  
24 lands or any part of a beach erosion control district are buried or submerged.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
26 1, 2024.