

SENATE BILL 474

C5

4r4580
CF 4r4581

By: **The President (By Request – Administration) and Senators Augustine, Bailey, Beidle, Brooks, Carozza, Charles, Corderman, Ferguson, Folden, Gallion, Hershey, Hettleman, Lam, McKay, Ready, Rosapepe, Waldstreicher, and West**

Introduced and read first time: January 22, 2024

Assigned to: Education, Energy, and the Environment

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)

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

23 **Article – Public Utilities**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 7–207.

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

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

4 (i) a generating unit or facility that:

5 1. is used for the production of electricity;

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

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

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

12 1. are used for the production of electricity from a solar
13 photovoltaic system or an eligible customer–generator that is subject to the provisions of §
14 7–306 of this title;

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

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

19 4. for each individual generating unit or facility:

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

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

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

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

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

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

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

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

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

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

10 7-207.1.

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

12 (1) a generating unit or facility that:

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

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

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

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

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

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

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

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

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

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

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

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

4 **(I) IS USED FOR THE PRODUCTION OF ELECTRICITY FOR THE**
5 **PURPOSE OF:**

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

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

11 **(II) IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE FLOW**
12 **OF ELECTRICITY TO THE ELECTRIC GRID; AND**

13 **(III) IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY THE**
14 **DEPARTMENT OF THE ENVIRONMENT; OR**

15 **(4) A COMBINATION OF TWO OR MORE GENERATING UNITS OR**
16 **FACILITIES THAT SATISFY ITEM (3) OF THIS SUBSECTION.**

17 7–207.2.

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

19 (1) a generating unit or facility that:

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

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

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

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

26 (i) are used for the production of electricity from a solar photovoltaic
27 system or an eligible customer–generator that is subject to the provisions of § 7–306 of this
28 title;

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

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

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

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

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

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

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

12 **(I) IS USED FOR THE PRODUCTION OF ELECTRICITY FOR THE**
13 **PURPOSE OF:**

14 **1. ONSITE EMERGENCY BACKUP AT A FACILITY WHEN**
15 **SERVICE FROM THE ELECTRIC COMPANY IS INTERRUPTED; AND**

16 **2. TEST AND MAINTENANCE OPERATIONS NECESSARY**
17 **TO ENSURE FUNCTIONALITY OF THE GENERATING UNIT OR FACILITY IN THE EVENT**
18 **OF A SERVICE INTERRUPTION FROM THE ELECTRIC COMPANY;**

19 **(II) IS INSTALLED WITH EQUIPMENT THAT PREVENTS THE FLOW**
20 **OF ELECTRICITY TO THE ELECTRIC GRID; AND**

21 **(III) IS SUBJECT TO A PERMIT TO CONSTRUCT ISSUED BY THE**
22 **DEPARTMENT OF THE ENVIRONMENT; OR**

23 **(4) A COMBINATION OF TWO OR MORE GENERATING UNITS OR**
24 **FACILITIES THAT SATISFY ITEM (3) OF THIS SUBSECTION.**

25 7-208.

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

27 (2) "Construction" has the meaning stated in § 7-207 of this subtitle.

28 **(3) "GENERATING STATION" DOES NOT INCLUDE:**

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

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

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

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

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

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

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

15 **[(3)] (4)** “Qualified offshore wind project” has the meaning stated in §
16 7–701 of this title.

17 **[(4)] (5)** “Qualified submerged renewable energy line” means:

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

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

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2024.