

HOUSE BILL 493

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2000 Regular Session  
0lr1991  
CF 0lr2109

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By: **Delegate Sher**

Introduced and read first time: February 4, 2000

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Electricity - Certificate of Public Convenience and Necessity**

3 FOR the purpose of altering certain requirements for certificates of public  
4 convenience and necessity in connection with construction of certain generating  
5 stations and overhead transmission lines by certain persons; altering the  
6 application of certain provisions on certificates of public convenience and  
7 necessity to certain activities involving certain existing generating stations;  
8 altering the definition of an "electric company" to include certain persons; and  
9 generally relating to electricity regulation and certificates of public convenience  
10 and necessity.

11 BY repealing and reenacting, with amendments,  
12 Article - Public Utility Companies  
13 Section 1-101(h) and 7-207(a) and (b)  
14 Annotated Code of Maryland  
15 (1998 Volume and 1999 Supplement)

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

18 **Article - Public Utility Companies**

19 1-101.

20 (h) (1) "Electric company" means a [person who physically transmits or  
21 distributes electricity in the State to a retail electric customer] PUBLIC SERVICE  
22 COMPANY THAT:

23 (I) OWNS AND OPERATES AN ELECTRIC PLANT AND TRANSMITS OR  
24 DISTRIBUTES ELECTRICITY; OR

25 (II) IS AUTHORIZED TO INSTALL OR MAINTAIN FACILITIES IN,  
26 OVER, OR UNDER STREETS FOR THE PURPOSE OF FURNISHING OR DISTRIBUTING  
27 ELECTRICITY.

1 (2) "ELECTRIC COMPANY" INCLUDES A MUNICIPAL CORPORATION THAT  
2 IS IN THE BUSINESS OF SUPPLYING ELECTRICITY FOR OTHER THAN MUNICIPAL  
3 PURPOSES.

4 (3) "Electric company" does not include:

5 (i) the following persons who supply electricity and electricity  
6 supply services solely to occupants of a building for use by the occupants:

7 1. an owner/operator who holds ownership in and manages  
8 the internal distribution system serving the building; or

9 2. a lessee/operator who holds a leasehold interest in and  
10 manages the internal distribution system serving the building;

11 (ii) any person who ONLY generates on-site generated electricity; or

12 (iii) a person who ONLY transmits or distributes electricity within a  
13 site owned by the person or the person's affiliate that is incidental to a primarily  
14 landlord-tenant relationship.

15 7-207.

16 (a) (1) In this section and § 7-208 of this subtitle, "construction" means the  
17 clearing of land, excavation, or other action that affects the natural environment of a  
18 site or route of a bulk power supply facility.

19 (2) "Construction" does not include:

20 (I) a change that is needed for the temporary use of a site or route  
21 for nonutility purposes or for use in securing geological data, including any boring  
22 that is necessary to ascertain foundation conditions; OR

23 (II) THE EXPANSION, MODIFICATION, OR RENOVATION OF AN  
24 EXISTING GENERATING STATION.

25 (b) [(1)] Unless a certificate of public convenience and necessity for the  
26 construction is first obtained from the Commission[, a person may not begin  
27 construction in the State of a generating station.

28 (2) Unless a certificate of public convenience and necessity for the  
29 construction is first obtained from the Commission, and the Commission has found  
30 that the capacity is necessary to ensure a sufficient supply of electricity to customers  
31 in the State, a person may not exercise a right of condemnation in connection with the  
32 construction of a generating station.

33 (3) Unless a certificate of public convenience and necessity for the  
34 construction is first obtained from the Commission, an electric company may not  
35 begin construction of an overhead transmission line that is designed to carry a voltage  
36 in excess of 69,000 volts or exercise a right of condemnation with the construction];

1 (1) AN ELECTRIC COMPANY MAY NOT BEGIN CONSTRUCTION IN THE  
2 STATE OF:

3 (I) A GENERATING STATION OR EXERCISE A RIGHT OF  
4 CONDEMNATION IN THE STATE IN CONNECTION WITH THE CONSTRUCTION; OR

5 (II) AN OVERHEAD TRANSMISSION LINE THAT IS DESIGNED TO  
6 CARRY A VOLTAGE IN EXCESS OF 69,000 VOLTS OR EXERCISE A RIGHT OF  
7 CONDEMNATION IN THE STATE IN CONNECTION WITH THE CONSTRUCTION; AND

8 (2) A PERSON MAY NOT BEGIN CONSTRUCTION IN THE STATE OF A  
9 GENERATING STATION UNLESS THE GENERATING STATION IS TO BE USED ONLY FOR  
10 THE PRODUCTION OF ON-SITE GENERATED ELECTRICITY.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 October 1, 2000.