

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 294

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Exemption” and substitute “Approval Process”; strike beginning with “exempting” in line 3 down through “purposes” in line 5 and substitute “authorizing the Public Service Commission to waive the requirement to obtain a certificate of public convenience and necessity under certain circumstances; authorizing the Commission to require a person to obtain approval from the Commission before the person may construct a generating station under certain circumstances; requiring an application to contain certain information; requiring the Commission to consider certain criteria, require certain notification, and conduct its review and approval in a certain manner; authorizing the Commission to waive an element of a certain process under certain circumstances; providing that the Department of the Environment may not require a certain permit or registration for the construction of a generating station constructed by a certain person; altering a certain definition; and generally relating to the review and approval of the construction of certain generating stations”; after line 5, insert:

“BY repealing and reenacting, with amendments,

Article - Environment

Section 2-402

Annotated Code of Maryland

(1996 Replacement Volume and 2000 Supplement)”;

in line 13, after “Section” insert “1-101(r) and”; and after line 15, insert:

“BY adding to

Article - Public Utility Companies

Section 7-207.1

Annotated Code of Maryland

(1998 Volume and 2000 Supplement)”.

(Over)

AMENDMENT NO. 2

On page 1, after line 17, insert:

“Article - Environment

2-402.

The Department may not require a permit or registration for:

- (1) Any machinery or equipment that normally is used in a mobile manner;
- (2) Any boiler used exclusively to operate steam engines for farm and domestic use;
- (3) The construction of a generating station constructed by [an electric company] A PERSON THAT IS REQUIRED TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER §§ 7-207 AND 7-208 OF THE PUBLIC UTILITY COMPANIES ARTICLE AND REGULATIONS ADOPTED BY THE PUBLIC SERVICE COMMISSION;
- (4) Actual construction of buildings, apart from any possible emission producing machinery housed in the buildings;
- (5) Any parking garage; or
- (6) Any parking lot.”.

AMENDMENT NO. 3

On page 1, after line 18, insert:

“1-101.

- (r) “On-site generated electricity” means electricity that:
 - (1) is not transmitted or distributed over an electric company's transmission or distribution system; [and] OR
 - (2) is generated at a facility owned or operated by an electric customer or

operated by a designee of the owner who, with the other tenants of the facility, consumes at least 80% of the power generated by the facility each year.”.

On page 2, strike in their entirety lines 4 through 7 and substitute:

“(II) THE COMMISSION MAY EXEMPT A PERSON FROM THE REQUIREMENT TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER THIS SECTION IF A PERSON OBTAINS COMMISSION APPROVAL FOR CONSTRUCTION UNDER SECTION 7-207.1 OF THIS SUBTITLE.”.

AMENDMENT NO. 4

On page 2, after line 16, insert:

“7-207.1.

(A) THIS SECTION APPLIES TO A PERSON WHO CONSTRUCTS A GENERATING STATION DESIGNED TO PROVIDE ON-SITE GENERATED ELECTRICITY IF:

(1) THE CAPACITY OF THE GENERATING STATION DOES NOT EXCEED 70 MEGAWATTS; AND

(2) THE ELECTRICITY THAT MAY BE EXPORTED FOR SALE FROM THE GENERATING STATION TO THE ELECTRIC SYSTEM IS SOLD ONLY ON THE WHOLESALE MARKET PURSUANT TO AN INTERCONNECTION, OPERATION, AND MAINTENANCE AGREEMENT WITH THE LOCAL ELECTRIC COMPANY.

(B) (1) THE COMMISSION SHALL REQUIRE A PERSON THAT IS EXEMPTED FROM THE REQUIREMENT TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO OBTAIN APPROVAL FROM THE COMMISSION UNDER THIS SECTION BEFORE THE PERSON MAY CONSTRUCT A GENERATING STATION DESCRIBED IN SUBSECTION (A) OF THIS SECTION.

(2) AN APPLICATION FOR APPROVAL UNDER THIS SECTION SHALL:

(Over)

(I) BE MADE TO THE COMMISSION IN WRITING ON A FORM ADOPTED BY THE COMMISSION;

(II) BE VERIFIED BY OATH OR AFFIRMATION; AND

(III) CONTAIN INFORMATION THAT THE COMMISSION REQUIRES, INCLUDING:

1. PROOF OF COMPLIANCE WITH ALL APPLICABLE REQUIREMENTS OF THE INDEPENDENT SYSTEM OPERATOR; AND

2. A COPY OF AN INTERCONNECTION, OPERATION, AND MAINTENANCE AGREEMENT BETWEEN THE GENERATING STATION AND THE LOCAL ELECTRIC COMPANY.

(C) WHEN REVIEWING AN APPLICATION FOR APPROVAL UNDER THIS SECTION THE COMMISSION SHALL:

(1) ENSURE THE SAFETY AND RELIABILITY OF THE ELECTRIC SYSTEM;

(2) REQUIRE THE PERSON CONSTRUCTING THE GENERATING STATION TO NOTIFY THE COMMISSION 2 WEEKS BEFORE THE FIRST EXPORT OF ELECTRICITY FROM A GENERATING STATION APPROVED UNDER THIS SECTION; AND

(3) CONDUCT ITS REVIEW AND APPROVAL IN AN EXPEDITIOUS MANNER.

(D) THE COMMISSION MAY WAIVE AN ELEMENT OF THE APPROVAL PROCESS UNDER THIS SECTION IF THE COMMISSION DETERMINES THAT THE WAIVER IS IN THE PUBLIC INTEREST.”.