
By: **Senators Stone, DeGrange, Della, Dyson, Hughes, Jimeno, and
McFadden**

Introduced and read first time: February 28, 2006

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Liquefied Natural Gas Facilities - Approval for Construction or Operation**

3 FOR the purpose of prohibiting the construction or operation of a liquefied natural
4 gas facility without the approval of the Public Service Commission; prohibiting
5 the Commission from granting any regulatory approval for the construction or
6 operation of a liquefied natural gas facility that is located within a certain
7 distance of a residence; and generally relating to liquefied natural gas facilities.

8 BY repealing and reenacting, with amendments,
9 Article - Public Utility Companies
10 Section 11-101
11 Annotated Code of Maryland
12 (1998 Volume and 2005 Supplement)

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

15 **Article - Public Utility Companies**

16 11-101.

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

18 (2) "Liquefied natural gas" means natural gas cooled to form a liquid at
19 approximately atmospheric pressure.

20 (3) "Liquefied natural gas facility" means any facility used to produce,
21 store, or regasify liquefied natural gas.

22 (b) The Commission shall adopt regulations to ensure to the greatest extent
23 practicable the operational safety of liquefied natural gas facilities.

24 (c) (1) The Commission shall inspect periodically each liquefied natural gas
25 facility to ensure compliance with the regulations adopted under subsection (b) of this
26 section.

1 (2) Inspections shall be conducted at intervals the Commission
2 determines necessary.

3 (d) The Commission may enforce [these] THE regulations by any method
4 provided in § 2-117(a), § 13-201, or § 13-205 of this article.

5 (E) (1) A LIQUEFIED NATURAL GAS FACILITY MAY NOT BE CONSTRUCTED
6 OR OPERATED WITHOUT THE APPROVAL OF THE COMMISSION.

7 (2) THE COMMISSION MAY NOT GRANT ANY APPROVAL FOR THE
8 CONSTRUCTION OR OPERATION OF A LIQUEFIED NATURAL GAS FACILITY IF THE
9 FACILITY WILL BE LOCATED WITHIN 2 MILES OF A RESIDENCE.

10 [(e)] (F) The Commission may enter into agreements with federal units as
11 necessary to carry out this section.

12 [(f)] (G) This section does not expand the definition of "public service
13 company" in § 1-101 of this article.

14 [(g)] (H) A person who violates a regulation that the Commission adopts under
15 this section is guilty of a misdemeanor and on conviction is subject to a fine not
16 exceeding \$10,000 for each day the violation continues, and imprisonment not
17 exceeding 1 year.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 2006.