

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 1028
Finance

(Senator Mooney)

Utility Consumer Protection Act of 2006

This bill requires an electric company to provide notice of intent to run a line or similar transmission device over, on, or under land to any property owners within 2,500 feet of the proposed line or transmission device. The notice must be sent within 30 days after the company files an application with the Public Service Commission (PSC). The bill also requires PSC to send notice within 30 days of receipt of application for a certificate of public convenience and necessity (CPCN) to each land owner located within 2,500 feet of the proposed generating station or transmission line.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A person may not begin construction of a generating facility or overhead transmission line carrying more than 69,000 volts unless a CPCN for the construction is first obtained from PSC. Construction is defined as the clearing of land, excavation, or other action that affects the natural environment of a site or route of a bulk power supply facility.

PSC must hold a public hearing on any application for a CPCN. Notice of the hearing must be given for two successive weeks prior to the public hearing by advertising in a

newspaper of general circulation in the affected area. An electric company is required to send notice at least 30 days before a public hearing to each land owner of its intent to run a line or similar transmission device over, on, or under the land.

Background: The licensing of new electric power plants in the State is a comprehensive two-part process involving PSC and several other State agencies, *e.g.*, the Department of Natural Resources and the Maryland Department of the Environment. PSC is the lead agency for licensing the siting, construction, and operation of power plants in the State. Companies wishing to obtain a license for a new power plant apply to PSC for a CPCN.

During the CPCN application process, the agencies hold extensive discussions with interested parties such as local governments, environmental organizations, the company proposing to build the power plant, and individual citizens. Concerns are identified and the State agencies incorporate those concerns into their evaluation.

Prior to CPCN being issued for a proposed power plant, the State agencies provide PSC the results of their evaluation and a consolidated set of recommendations as to whether the proposed site is suitable and whether the proposed power plant can be constructed and operated in an acceptable manner. The agencies also provide detailed recommendations on conditions that should be attached to a CPCN. These conditions can relate, for example, to minimizing impacts to air, surface and groundwater, aquatic and terrestrial resources, cultural and historic resources, noise, and land use.

Additional Information

Prior Introductions: None.

Cross File: HB 260 (Delegate Weldon) – Economic Matters.

Information Source(s): Public Service Commission, Office of People’s Counsel, Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2006
ncs/jr

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