

HOUSE BILL 1072

M1, C5

71r3000
CF SB 566

By: **Delegates McHale, Feldman, and Hecht**

Introduced and read first time: February 9, 2007

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utility Companies – Generating Stations – Wind**

3 FOR the purpose of exempting a certain person from having to obtain a certificate of
4 public convenience and necessity for a generating station that produces
5 electricity from wind under certain circumstances; requiring a person to obtain
6 approval from the Public Service Commission prior to any construction of a
7 generating station that produces electricity from wind under certain
8 circumstances; and generally relating to electricity from wind and generating
9 stations.

10 BY repealing and reenacting, without amendments,
11 Article – Public Utility Companies
12 Section 7–207(b)
13 Annotated Code of Maryland
14 (1998 Volume and 2006 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Public Utility Companies
17 Section 7–207.1
18 Annotated Code of Maryland
19 (1998 Volume and 2006 Supplement)

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

22 **Article – Public Utility Companies**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 7-207.

2 (b) (1) (i) Unless a certificate of public convenience and necessity for
3 the construction is first obtained from the Commission, a person may not begin
4 construction in the State of a generating station.

5 (ii) If a person obtains Commission approval for construction
6 under § 7-207.1 of this subtitle, the Commission shall exempt a person from the
7 requirement to obtain a certificate of public convenience and necessity under this
8 section.

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

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

18 7-207.1.

19 (a) This section applies to a person who:

20 (1) constructs a generating station:

21 (I) designed to provide on-site generated electricity if:

22 [(i)] 1. the capacity of the generating station does not
23 exceed 70 megawatts; and

24 [(ii)] 2. the electricity that may be exported for sale
25 from the generating station to the electric system is sold only on the wholesale market
26 pursuant to an interconnection, operation, and maintenance agreement with the local
27 electric company; or

28 (II) **THAT PRODUCES ELECTRICITY FROM WIND IF THE**
29 **ELECTRICITY THAT MAY BE EXPORTED FOR SALE FROM THE GENERATING**
30 **STATION TO THE ELECTRIC SYSTEM IS SOLD ONLY ON THE WHOLESALE MARKET**

1 **PURSUANT TO AN INTERCONNECTION, OPERATION, AND MAINTENANCE**
2 **AGREEMENT WITH THE LOCAL ELECTRIC COMPANY; OR**

3 (2) constructs a generating station if:

4 (i) the capacity of the generating station does not exceed 25
5 megawatts;

6 (ii) the electricity that may be exported for sale from the
7 generating station to the electric system is sold only on the wholesale market pursuant
8 to an interconnection, operation, and maintenance agreement with the local electric
9 company; and

10 (iii) at least 10% of the electricity generated at the generating
11 station each year is consumed on-site.

12 (b) (1) The Commission shall require a person that is exempted from the
13 requirement to obtain a certificate of public convenience and necessity to obtain
14 approval from the Commission under this section before the person may construct a
15 generating station described in subsection (a) of this section.

16 (2) An application for approval under this section shall:

17 (i) be made to the Commission in writing on a form adopted by
18 the Commission;

19 (ii) be verified by oath or affirmation; and

20 (iii) contain information that the Commission requires,
21 including:

22 1. proof of compliance with all applicable requirements
23 of the independent system operator; and

24 2. a copy of an interconnection, operation, and
25 maintenance agreement between the generating station and the local electric
26 company.

27 (c) When reviewing an application for approval under this section, the
28 Commission shall:

29 (1) ensure the safety and reliability of the electric system;

1 (2) require the person constructing the generating station to notify the
2 Commission 2 weeks before the first export of electricity from a generating station
3 approved under this section; and

4 (3) conduct its review and approval in an expeditious manner.

5 (d) The Commission may waive an element of the approval process under
6 this section if the Commission determines that the waiver is in the public interest.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 July 1, 2007.