

HOUSE BILL 1123

C5

9lr2709

By: **Delegates Ivey, Healey, Niemann, Olszewski, Ramirez, and Ross**

Introduced and read first time: February 13, 2009

Assigned to: Economic Matters

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 certain liquefied
4 natural gas facility without the approval of the Public Service Commission;
5 prohibiting the Commission from granting regulatory approval for the
6 construction or operation of a certain liquefied natural gas facility that is
7 located within a certain distance from certain buildings or places or in a location
8 that is inconsistent with certain zoning laws or ordinances; and generally
9 relating to liquefied natural gas facilities.

10 BY repealing and reenacting, with amendments,
11 Article – Public Utility Companies
12 Section 11–101
13 Annotated Code of Maryland
14 (2008 Replacement Volume and 2008 Supplement)

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

17 **Article – Public Utility Companies**

18 11–101.

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

20 (2) “Liquefied natural gas” means natural gas cooled to form a liquid
21 at approximately atmospheric pressure.

22 (3) “Liquefied natural gas facility” means any facility used to produce,
23 store, or regasify liquefied natural gas.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

10 (e) (1) **A LIQUEFIED NATURAL GAS FACILITY REGULATED AS AN**
11 **INTRASTATE FACILITY BY THE COMMISSION MAY NOT BE CONSTRUCTED OR**
12 **OPERATED WITHOUT THE APPROVAL OF THE COMMISSION.**

13 (2) **THE COMMISSION MAY NOT GRANT ANY APPROVAL FOR THE**
14 **CONSTRUCTION OR OPERATION OF A LIQUEFIED NATURAL GAS FACILITY**
15 **REGULATED AS AN INTRASTATE FACILITY BY THE COMMISSION IF THE FACILITY**
16 **IS TO BE LOCATED:**

17 (I) **IN A LOCATION LESS THAN AN ACCEPTABLE**
18 **SEPARATION DISTANCE, AS CALCULATED BY THE BLAST OVER PRESSURE**
19 **SAFETY STANDARD UNDER 24 C.F.R. PART 51.203, FROM A BUILDING OR**
20 **OTHER PLACE IN WHICH INDIVIDUALS WORK, LIVE, OR CONGREGATE,**
21 **INCLUDING A SCHOOL, DAY CARE CENTER, NURSING HOME, SENIOR CITIZEN**
22 **BUILDING, METRO STATION, SHOPPING CENTER, RECREATIONAL FACILITY, OR**
23 **RESIDENTIAL SUBDIVISION; OR**

24 (II) **IN A LOCATION THAT IS INCONSISTENT WITH THE**
25 **ZONING LAWS OR ORDINANCES OF THE LOCAL JURISDICTION IN WHICH THE**
26 **FACILITY IS TO BE LOCATED.**

27 (F) The Commission may enter into agreements with federal units as
28 necessary to carry out this section.

29 [(f)] (G) This section does not expand the definition of “public service
30 company” in § 1-101 of this article.

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

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2009.