

SENATE BILL 867

C5

9lr2105

By: **Senators Lenett and Rosapepe**

Introduced and read first time: February 6, 2009

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **The Renewables First Act**

3 FOR the purpose of declaring certain findings and policies of the General Assembly;
4 establishing certain energy policy goals for the State; declaring that it is the
5 policy of the State that certain policy goals should be prioritized in a certain
6 manner; requiring a certain person to submit a certain statement when
7 applying for a certain certificate of public convenience and necessity under
8 certain circumstances; requiring a certain person to submit a certain statement
9 when applying for permission to construct a certain generating station under
10 certain circumstances; requiring the Public Service Commission to publish
11 certain statements on its website; and generally relating to construction of
12 electricity generation facilities or transmission lines and the energy policy goals
13 of the State.

14 BY repealing and reenacting, with amendments,
15 Article – Public Utility Companies
16 Section 7–207(c), 7–207.1(b), and 7–208(c)
17 Annotated Code of Maryland
18 (2008 Replacement Volume and 2008 Supplement)

19 BY repealing and reenacting, without amendments,
20 Article – Public Utility Companies
21 Section 7–208(a) and (b)
22 Annotated Code of Maryland
23 (2008 Replacement Volume and 2008 Supplement)

24 BY adding to
25 Article – Public Utility Companies
26 Section 7–209.1
27 Annotated Code of Maryland
28 (2008 Replacement Volume and 2008 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

Article – Public Utility Companies

7–207.

(c) (1) On receipt of an application for a certificate of public convenience and necessity under this section **AND A STATEMENT OF COMPLIANCE WITH STATE ENERGY POLICY GOALS AND PRIORITIES AS REQUIRED UNDER § 7–209.1 OF THIS SUBTITLE**, the Commission shall provide notice to the Department of Planning and to all other interested persons.

(2) The Department of Planning shall forward the application to each appropriate State unit and unit of local government for review, evaluation, and comment regarding the significance of the proposal to State, area-wide, and local plans or programs.

7–207.1.

(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:

(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; **AND**

(iv) INCLUDE A STATEMENT OF COMPLIANCE WITH STATE ENERGY POLICY GOALS AND PRIORITIES AS REQUIRED UNDER § 7–209.1 OF THIS SUBTITLE.

1 7-208.

2 (a) This section applies to any person:

3 (1) constructing a generating station and its associated overhead
4 transmission lines designed to carry a voltage in excess of 69,000 volts; or

5 (2) exercising the right of condemnation in connection with the
6 construction.

7 (b) (1) To obtain the certificate of public convenience and necessity
8 required under § 7-207 of this subtitle for construction under this section, a person
9 shall file an application with the Commission at least 2 years before construction of
10 the facility will commence.

11 (2) The Commission may waive the 2-year requirement on a showing
12 of good cause.

13 (c) The applicant shall:

14 (1) include in an application under this section the information that
15 the Commission requests initially; [and]

16 (2) furnish any additional information that the Commission requests
17 subsequently; **AND**

18 (3) **SUBMIT A STATEMENT OF COMPLIANCE WITH STATE ENERGY**
19 **POLICY GOALS AND PRIORITIES AS REQUIRED UNDER § 7-209.1 OF THIS**
20 **SUBTITLE.**

21 **7-209.1.**

22 (A) **THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:**

23 (1) **IT IS THE POLICY OF THE STATE TO ENSURE THAT ADEQUATE,**
24 **RELIABLE, AND REASONABLY PRICED ELECTRICAL POWER SUPPLIES,**
25 **INCLUDING PRUDENT RESERVES, ARE ACHIEVED AND PROVIDED THROUGH**
26 **POLICIES, STRATEGIES, AND ACTIONS THAT ARE COST-EFFECTIVE AND**
27 **ENVIRONMENTALLY SOUND FOR MARYLAND'S CONSUMERS AND TAXPAYERS;**
28 **AND**

29 (2) **THE FOLLOWING STATE ENERGY POLICY GOALS ARE**
30 **NECESSARY TO ACHIEVE ADEQUATE, RELIABLE, ENVIRONMENTALLY SOUND,**
31 **AND AFFORDABLE ELECTRICAL POWER SUPPLIES:**

1 (I) MARYLAND’S ENERGY GROWTH NEEDS SHOULD BE MET
2 WHILE OPTIMIZING ENERGY CONSERVATION AND RESOURCE EFFICIENCY AND
3 REDUCING PER CAPITA ELECTRICITY DEMAND;

4 (II) RELIABLE, AFFORDABLE, AND HIGH-QUALITY POWER
5 SUPPLIES SHOULD BE ENSURED FOR ALL WHO NEED IT IN ALL REGIONS OF THE
6 STATE BY BUILDING SUFFICIENT NEW GENERATION FACILITIES;

7 (III) THE STATE’S GOAL FOR RENEWABLE ENERGY
8 GENERATION SHOULD BE ENCOURAGED AND ACCELERATED;

9 (IV) THE STATE’S ELECTRICITY TRANSMISSION AND
10 DISTRIBUTION INFRASTRUCTURE SHOULD BE UPGRADED AND EXPANDED; AND

11 (V) CUSTOMER- AND UTILITY-OWNED DISTRIBUTED
12 ELECTRICITY GENERATION SHOULD BE PROMOTED.

13 (B) TO MEET THE STATE ENERGY POLICY GOALS STATED IN
14 SUBSECTION (A) OF THIS SECTION, IT IS THE POLICY OF THE STATE THAT
15 ACTIONS TO ADDRESS THE STATE’S INCREASING NEED FOR ENERGY SHOULD BE
16 PRIORITIZED AS FOLLOWS:

17 (1) STRATEGIES FOR INCREASING ENERGY CONSERVATION,
18 ENERGY EFFICIENCY, AND DEMAND RESPONSE TO MINIMIZE INCREASES IN
19 ELECTRICITY AND NATURAL GAS DEMAND ARE THE STATE’S PREFERRED MEANS
20 OF MEETING GROWING ENERGY NEEDS;

21 (2) THE NEED FOR NEW GENERATION SHOULD FIRST BE MET
22 THROUGH RENEWABLE ENERGY RESOURCES; AND

23 (3) TO THE EXTENT THAT ENERGY CONSERVATION, ENERGY
24 EFFICIENCY, DEMAND RESPONSE, AND RENEWABLE ENERGY RESOURCES ARE
25 UNABLE TO SATISFY NEW ENERGY AND CAPACITY NEEDS, THOSE NEEDS SHOULD
26 BE MET BY CLEAN AND EFFICIENT FOSSIL-FIRED ELECTRICITY GENERATION.

27 (C) WHEN SUBMITTING AN APPLICATION FOR A CERTIFICATE OF
28 PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207 OR § 7-208 OF THIS
29 SUBTITLE OR AN APPLICATION FOR APPROVAL FROM THE COMMISSION FOR
30 THE CONSTRUCTION OF A GENERATING STATION UNDER § 7-207.1 OF THIS
31 SUBTITLE, A PERSON ALSO SHALL SUBMIT A WRITTEN STATEMENT THAT
32 DEMONSTRATES HOW THE PROJECT COMPLIES WITH OR FURTHERS THE GOALS
33 AND PRIORITIES STATED IN SUBSECTIONS (A) AND (B) OF THIS SECTION.

1 (D) THE COMMISSION SHALL PUBLISH EACH STATEMENT IT RECEIVES
2 UNDER SUBSECTION (C) OF THIS SECTION ON THE COMMISSION'S WEBSITE.

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