

HOUSE BILL 1126

C5

8lr3343

By: **Delegates Lisanti and Impallaria**

Introduced and read first time: February 8, 2018

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2018

CHAPTER _____

1 AN ACT concerning

2 **Public Service Commission – Application for Certificate of Public Convenience**
3 **and Necessity – Criteria to Consider**

4 FOR the purpose of requiring the ~~PSC~~ Public Service Commission to take final action on a
5 certain application for a certificate of public convenience and necessity only after due
6 consideration of the effect of a generating station, an overhead transmission line, or
7 a qualified generator lead line on air quality and water pollution, rather than the
8 effect of the generating station, overhead transmission line, or qualified generator
9 lead line on air and water pollution when applicable; applying the requirement that
10 the Commission take final action on a certain application for a certificate of public
11 convenience and necessity for construction related to a new overhead transmission
12 line only after due consideration of the consistency of the application with the
13 jurisdiction's comprehensive plan and zoning and of certain efforts to resolve certain
14 issues to an application for an overhead transmission line or a qualified generator
15 lead line certain alternative routes and certain information related to certain
16 alternative routes; requiring the Commission to take final action on an application
17 for a certificate of public convenience and necessity for a generating station, an
18 overhead transmission line, or a qualified generator lead line only after due
19 consideration of whether the applicant considered and is unable to use a certain
20 easement, the greenhouse gas emissions associated with certain aspects of the
21 generating station, overhead transmission line, or qualified generator lead line, and
22 the impact certain greenhouse gas emissions will have on the ability of the State to
23 meet certain greenhouse gas emissions reduction goals providing for the application
24 of this Act; and generally relating to an application for a certificate of public
25 convenience and necessity.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, without amendments,
2 Article – Public Utilities
3 Section 7–207(a) and (b)(1)(i)
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2017 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Public Utilities
8 Section 7–207(e) and (f)
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2017 Supplement)

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

13 **Article – Public Utilities**

14 7–207.

15 (a) (1) (i) In this section and § 7–208 of this subtitle, “construction” means:

16 1. any physical change at a site, including fabrication,
17 erection, installation, or demolition; or

18 2. the entry into a binding agreement or contractual
19 obligation to purchase equipment exclusively for use in construction in the State or to
20 undertake a program of actual construction in the State which cannot be canceled or
21 modified without substantial loss to the owner or operator of the proposed generating
22 station.

23 (ii) “Construction” does not include a change that is needed for the
24 temporary use of a site or route for nonutility purposes or for use in securing geological
25 data, including any boring that is necessary to ascertain foundation conditions.

26 (2) In this section, “qualified generator lead line” means an overhead
27 transmission line that is designed to carry a voltage in excess of 69,000 volts and would
28 allow an out-of-state Tier 1 or Tier 2 renewable source to interconnect with a portion of
29 the electric system in Maryland that is owned by an electric company.

30 (b) (1) (i) Unless a certificate of public convenience and necessity for the
31 construction is first obtained from the Commission, a person may not begin construction in
32 the State of:

33 1. a generating station; or

34 2. a qualified generator lead line.

1 (e) The Commission shall take final action on an application for a certificate of
2 public convenience and necessity only after due consideration of:

3 (1) the recommendation of the governing body of each county or municipal
4 corporation in which any portion of the construction of the generating station, overhead
5 transmission line, or qualified generator lead line is proposed to be located;

6 (2) the effect of the generating station, overhead transmission line, or
7 qualified generator lead line on:

8 (i) the stability and reliability of the electric system;

9 (ii) economics;

10 (iii) esthetics;

11 (iv) historic sites;

12 (v) aviation safety as determined by the Maryland Aviation
13 Administration and the administrator of the Federal Aviation Administration;

14 (vi) ~~when applicable,~~ air QUALITY and water pollution; and

15 (vii) the availability of means for the required timely disposal of
16 wastes produced by any generating station; ~~and~~

17 (3) ~~for a generating station:~~

18 (i) ~~the consistency of the application with the comprehensive plan~~
19 ~~and zoning of each county or municipal corporation where any portion of the generating~~
20 ~~station, OVERHEAD TRANSMISSION LINE, OR QUALIFIED GENERATOR LEAD LINE is~~
21 ~~proposed to be located; and~~

22 (ii) ~~(4)~~ the efforts to resolve any issues presented by a county or
23 municipal corporation where any portion of the generating station, ~~OVERHEAD~~
24 ~~TRANSMISSION LINE, OR QUALIFIED GENERATOR LEAD LINE is proposed to be located;~~

25 ~~(5) WHETHER THE APPLICANT CONSIDERED AND IS UNABLE TO USE~~
26 ~~AN EXISTING EASEMENT; AND~~

27 ~~(6) THE GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE~~
28 ~~CONSTRUCTION, OPERATION, AND MAINTENANCE OF THE GENERATING STATION,~~
29 ~~OVERHEAD TRANSMISSION LINE, OR QUALIFIED GENERATOR LEAD LINE,~~
30 ~~INCLUDING GREENHOUSE GAS EMISSIONS FROM EXISTING GENERATING STATIONS~~
31 ~~THAT WOULD INCREASE AS A RESULT OF THE OVERHEAD TRANSMISSION LINE OR~~

~~1 QUALIFIED GENERATOR LEAD LINE, AND THE IMPACT THESE GREENHOUSE GAS
2 EMISSIONS WILL HAVE ON THE ABILITY OF THE STATE TO MEET ITS GREENHOUSE
3 GAS EMISSIONS REDUCTION ACT GOALS.~~

4 (f) For the construction of an overhead transmission line, in addition to the
5 considerations listed in subsection (e) of this section, the Commission shall:

6 (1) take final action on an application for a certificate of public convenience
7 and necessity only after due consideration of:

8 (I) the need to meet existing and future demand for electric service;
9 AND

10 (II) FOR CONSTRUCTION RELATED TO A NEW OVERHEAD
11 TRANSMISSION LINE, THE ALTERNATIVE ROUTES THAT THE APPLICANT
12 CONSIDERED, INCLUDING THE ESTIMATED CAPITAL AND OPERATING COSTS OF
13 EACH ALTERNATIVE ROUTE AND A STATEMENT OF THE REASON WHY THE
14 ALTERNATIVE ROUTE WAS REJECTED; and

15 (2) require as an ongoing condition of the certificate of public convenience
16 and necessity that an applicant [complies] COMPLY with:

17 (i) all relevant agreements with PJM Interconnection, L.L.C., or its
18 successors, related to the ongoing operation and maintenance of the overhead transmission
19 line; and

20 (ii) all obligations imposed by the North America Electric Reliability
21 Council and the Federal Energy Regulatory Commission related to the ongoing operation
22 and maintenance of the overhead transmission line.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
24 apply only prospectively and may not be applied or interpreted to have any effect on or
25 application to any application for a certificate of public convenience and necessity filed
26 before the effective date of this Act.

27 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2018.