

**SB0781/373823/1**

BY: Education, Energy, and the Environment Committee

AMENDMENTS TO SENATE BILL 781  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after “projects;” insert “authorizing certain offshore wind project developers to apply for an exemption from certain requirements;”; in the same line, after “to” insert “request that PJM Interconnection;”; in line 8, after “options;” insert “requiring the Commission to take certain actions regarding the transmission system and the analysis of transmission system expansion options;”; in the same line, after “requiring” insert “and authorizing;”; in line 9, strike “to issue a certain number of competitive solicitations for” and substitute “, or PJM Interconnection at the request of the Commission, to take certain actions on;”; strike beginning with “requiring” in line 11 down through “solicitation;” in line 12 and substitute “exempting certain proposals from the requirement to obtain a certificate of public convenience and necessity;”; in line 14, after “Services” insert “, in consultation with the Commission;”; in line 15, strike “an invitation for bids” and substitute “a certain solicitation;”; in lines 15 and 16, strike “within a certain time frame”; in line 21, after “date;” insert “establishing that the State be exempted from the renewable energy portfolio standard requirements under certain circumstances; requiring certain contractors to submit a certain attestation within a certain number of days after the operational commencement date of a certain power purchase agreement; requiring the Commission to submit, on or before a certain date each year, a report to the General Assembly on certain information collected under the Commission’s Supplier Diversity Program;”; in line 29, strike the second “and”; and in the same line, after “7-704.4” insert “, and 7-704.5”.

On page 2, in line 5, after “Section” insert “7-701(k) and”.

AMENDMENT NO. 2

On page 2, in line 14, strike “~~7-704.4~~” and substitute “7-704.3”; and after line 18, insert:

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“(k) “Qualified offshore wind project” means a wind turbine electricity generation facility, including the associated transmission–related interconnection facilities and equipment, that:

(1) is located:

(I) on the outer continental shelf of the Atlantic Ocean in an area that the United States Department of the Interior designates for leasing [after coordination and consultation with the State in accordance with § 388(a) of the Energy Policy Act of 2005]; AND

(II) MORE THAN 10 MILES OFF THE COAST OF THE STATE FOR A PROJECT SELECTED UNDER § 7–704.4 OF THIS SUBTITLE OR APPROVED UNDER § 7–704.1 OF THIS SUBTITLE AFTER JUNE 1, 2023; and

(2) interconnects to the PJM Interconnection grid:

(I) at a point located on the Delmarva Peninsula; OR

(II) THROUGH AN OFFSHORE WIND TRANSMISSION PROJECT SELECTED UNDER § 7–704.3 OF THIS SUBTITLE.”.

On page 5, in line 13, after “(ii)” insert “SUBJECT TO SUBSECTION (K) OF THIS SECTION,”; and in line 22, strike “FILED AND APPROVED IN ACCORDANCE WITH” and substitute “SELECTED BY THE COMMISSION UNDER”.

On page 8, in line 2, after “by” insert “:

A.”;

and in line 4, after “Article” insert “;AND”

**B. GUARANTEEING THAT THE CONSTRUCTION WORK PERFORMED IN CONNECTION WITH THE PROJECT WILL BE SUBJECT TO AN AGREEMENT THAT:**

**I. IS WITH ONE OR MORE LABOR ORGANIZATIONS;**  
**AND**

**II. ESTABLISHES, IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION, THE TERMS AND CONDITIONS OF EMPLOYMENT AT THE CONSTRUCTION SITE OF THE PROJECT OR A PORTION OF THE PROJECT”.**

On page 9, after line 31, insert:

**“(3) AN AGREEMENT REQUIRED UNDER PARAGRAPH (1)(I)2B OF THIS SUBSECTION SHALL:**

**(I) GUARANTEE AGAINST STRIKES, LOCKOUTS, AND SIMILAR DISRUPTIONS;**

**(II) ENSURE THAT ALL WORK ON THE PROJECT FULLY CONFORMS TO ALL RELEVANT STATE AND FEDERAL LAWS, RULES, AND REGULATIONS;**

**(III) CREATE MUTUALLY BINDING PROCEDURES FOR RESOLVING LABOR DISPUTES ARISING DURING THE TERM OF THE PROJECT;**

(Over)

(IV) SET FORTH OTHER MECHANISMS FOR LABOR-MANAGEMENT COOPERATION ON MATTERS OF MUTUAL INTEREST AND CONCERN, INCLUDING PRODUCTIVITY, QUALITY OF WORK, SAFETY, AND HEALTH; AND

(V) BIND ALL CONTRACTORS AND SUBCONTRACTORS TO THE TERMS OF THE AGREEMENT THROUGH THE INCLUSION OF APPROPRIATE PROVISIONS IN ALL RELEVANT SOLICITATION AND CONTRACT DOCUMENTS.”.

On page 10, in line 18, strike “Finance”; in the same line, after “Committee” insert “ON EDUCATION, ENERGY, AND THE ENVIRONMENT”.

On page 11, after line 36, insert:

“(K) (1) A DEVELOPER OF A ROUND 1 OFFSHORE WIND PROJECT OR ROUND 2 OFFSHORE WIND PROJECT APPROVED UNDER THIS SECTION MAY APPLY TO THE COMMISSION FOR AN EXEMPTION FROM THE REQUIREMENTS IN SUBSECTION (C)(8)(II) OF THIS SECTION FOR ANY FEDERAL INFLATION REDUCTION ACT OF 2022 GRANTS, REBATES, TAX CREDITS, OR LOAN GUARANTEES RECEIVED BY THE PROJECT IF AT LEAST 15% OF THE TOTAL LABOR HOURS OF CONSTRUCTION, ALTERATION, OR REPAIR WORK FOR THE PROJECT, INCLUDING ANY CONSTRUCTION, ALTERATION, OR REPAIR WORK PERFORMED BY A CONTRACTOR OR SUBCONTRACTOR, IS PERFORMED BY QUALIFIED APPRENTICES CONSISTENT WITH FEDERAL LAW.

(2) A DEVELOPER SEEKING AN EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CERTIFY THAT THE EXEMPTION IS REQUIRED TO FULFILL THE DEVELOPER’S OBLIGATIONS UNDER AN APPROVED OREC ORDER.

(3) THE COMMISSION SHALL:

(I) ESTABLISH AN APPLICATION PROCESS FOR A DEVELOPER TO APPLY FOR AN EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION;

(II) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, APPROVE, DENY, OR REQUEST ADDITIONAL INFORMATION REGARDING AN APPLICATION SUBMITTED UNDER THIS SUBSECTION WITHIN 45 DAYS AFTER RECEIPT OF THE APPLICATION;

(III) IN EVALUATING AN APPLICATION SUBMITTED UNDER THIS SUBSECTION, TAKE INTO CONSIDERATION THE POTENTIAL BENEFITS AND IMPACTS OF APPROVING THE APPLICATION, INCLUDING:

1. THE STATE'S GOALS FOR DEVELOPING OFFSHORE WIND ENERGY;

2. WORKFORCE AND SUPPLY CHAIN IMPACTS; AND

3. THE RISK THAT PRICE INFLATION MAY HAVE ON ACHIEVING THE STATE'S OFFSHORE WIND ENERGY GOALS; AND

(IV) KEEP ANY PROPRIETARY INFORMATION SUBMITTED BY AN APPLICANT CONFIDENTIAL.

(4) A REQUEST MADE BY THE COMMISSION FOR ADDITIONAL INFORMATION UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION SHALL RESTART A NEW 45-DAY PERIOD OF REVIEW.”.

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On page 12, in line 7, strike “(I)”; in the same line, strike “GOAL” and substitute “GOALS”; in the same line, after “UNDER” insert “§ 7-703 OF THIS SUBTITLE AND”; in line 9, strike “AND PJM INTERCONNECTION”; in the same line, after “SHALL” insert “REQUEST THAT PJM INTERCONNECTION”; in line 10, after “SYSTEM” insert “UPGRADE AND”; in the same line, after “OPTIONS” insert “THAT TAKE INTO CONSIDERATION BOTH ONSHORE AND OFFSHORE INFRASTRUCTURE”; strike beginning with “(II)” in line 11 down through “THE” in line 12 and substitute:

**“(2) THE”;**

in line 12, after “COMMISSION” insert “:

**(I) SHALL CONSULT WITH OTHER STATES SERVED BY PJM INTERCONNECTION TO EVALUATE REGIONAL TRANSMISSION COOPERATION THAT COULD HELP ACHIEVE THE STATE’S RENEWABLE ENERGY AND OFFSHORE WIND ENERGY GOALS WITH GREATER EFFICIENCY;**

**(II) SHALL WORK WITH PJM INTERCONNECTION TO ENSURE THAT THE ANALYSIS REQUESTED UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES AN ANALYSIS OF SOLUTIONS THAT:**

**1. USE AN OPEN-ACCESS COLLECTOR TRANSMISSION SYSTEM TO ALLOW FOR THE INTERCONNECTION OF MULTIPLE QUALIFIED OFFSHORE WIND PROJECTS AT A SINGLE SUBSTATION;**

**2. AVOID A SIGNIFICANT OUTAGE, OR SINGLE CONTINGENCY, OF ANY PART OF THE TRANSMISSION SYSTEM;**

**3. REDUCE PERMITTING RISKS, IMPACTS ON COMMUNITIES, AND UNNECESSARY HIGH COSTS;**

**4. LEVERAGE EXISTING INFRASTRUCTURE;**

**5. OFFER BENEFITS THAT ADDRESS ADDITIONAL  
GRID CHALLENGES; AND**

**6. ADDRESS ANY OTHER ISSUES THAT THE  
COMMISSION IDENTIFIES; AND**

**(III)**;

in the same line, strike “ALSO”; in line 13, after “STATE” insert “TO GATHER RELEVANT TECHNICAL INFORMATION”; in lines 14 and 19, strike “(2)” and “(3)”, respectively, and substitute “(3)” and “(4)”, respectively; in line 16, strike “FURTHER THE COMMISSION’S” and substitute “INITIATE PJM INTERCONNECTION’S”; in line 20, strike “ITS COMPLETED” and substitute “A STATUS UPDATE ON THE”; in the same line, after “ANALYSIS” insert “REQUESTED UNDER PARAGRAPH (1) OF THIS SUBSECTION”; in line 22, strike “DECEMBER 1, 2024” and substitute “JULY 1, 2025”; in lines 23 and 26, in each instance, after “ISSUE” insert “, OR REQUEST THAT PJM INTERCONNECTION ISSUE,”; and in line 24, strike “NECESSARY” and substitute “COMPLEMENTARY”.

On page 13, in line 3, strike “AND CABLE ROUTES”; in line 6, after “STATE’S” insert “RENEWABLE ENERGY AND”; in line 14, after “INCLUDE” insert “, OR WORK WITH PJM INTERCONNECTION TO INCLUDE,”; in line 19, strike the second “AND”; in line 20, after “AGREEMENTS” insert “IN ACCORDANCE WITH § 7-704.1 OF THIS SUBTITLE;”

**(IV) ADDRESS THE SITING, ENVIRONMENTAL, AND  
SOCIOECONOMIC INFORMATION REQUIRED TO BE CONSIDERED BY THE**

(Over)

COMMISSION UNDER § 7-207 OF THIS TITLE FOR AN APPLICATION FOR A  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY; AND

(V) ENSURE A COMPETITIVE BIDDING PROCESS BY  
REDACTING PROPRIETARY INFORMATION PROVIDED TO THE COMMISSION OR TO  
PJM INTERCONNECTION”;

in line 21, strike “CONSIDER” and substitute “EVALUATE, OR REQUEST THAT PJM  
INTERCONNECTION ASSIST WITH THE EVALUATION OF,”; and in line 23, after  
“GRID” insert “ONSHORE AND OFFSHORE”.

On page 14, after line 20, insert:

“(5) (I) EACH PROPOSAL SHALL INCLUDE A COST-BENEFIT  
ANALYSIS TO DEMONSTRATE THE OVERALL BENEFITS OF THE PROPOSAL TO THE  
STATE AND TO RATEPAYERS.

(II) THE COST-BENEFIT ANALYSIS REQUIRED UNDER  
SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE AN ASSESSMENT OF  
POTENTIAL COST ALLOCATION BETWEEN STATES.”.

On page 15, in line 1, after “MODIFY” insert “, OR REQUEST THAT PJM  
INTERCONNECTION MODIFY,”; strike beginning with “AVOID” in line 8 down through  
“(3)” in line 10; in line 10, after “WIND” insert “, RENEWABLE ENERGY,”; in lines 12  
and 14, strike “(4)” and “(5)”, respectively, and substitute “(3)” and “(4)”, respectively;  
in line 17, strike “EVALUATE” and substitute “REQUEST THAT PJM  
INTERCONNECTION ASSIST WITH THE EVALUATION OF”; in line 20, strike “JULY”  
and substitute “DECEMBER”; in the same line, strike “2026” and substitute “2027”; in  
line 21, after “PROPOSALS” insert “FOR DEVELOPMENT USING A FUNDING  
MECHANISM OR COMBINATION OF FUNDING MECHANISMS IDENTIFIED IN



SUBSECTION (E)(3) OF THIS SECTION"; in line 26, after "(K)" insert "**(1) THE COMMISSION MAY, FOR A PROPOSAL SELECTED UNDER SUBSECTION (I) OF THIS SECTION:**

**(I) ADOPT CONDITIONS FOR THE CONSTRUCTION AND OPERATION OF FACILITIES INCLUDED IN THE PROPOSAL; AND**

**(II) CONSIDER ANY CONDITIONS PROPOSED BY THE POWER PLANT RESEARCH PROGRAM.**

**(2) THE REQUIREMENT TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207 OF THIS TITLE DOES NOT APPLY TO A PROPOSAL SELECTED UNDER SUBSECTION (I) OF THIS SECTION.**

**(L) EXCEPT AS PROVIDED IN SUBSECTION (K) OF THIS SECTION,";**

in the same line, strike "A" and substitute "A"; in the same line, strike "APPROVED" and substitute "SELECTED"; strike beginning with the comma in line 28 down through "NECESSITY" in line 29; and in line 22, after "PROPOSALS" insert "ARE BENEFICIALLY COST-EFFECTIVE OR".

On page 16, in lines 1, 8, 15, and 21, strike "(L)", "(M)", "(N)", and "(O)", respectively, and substitute "(M)", "(N)", "(O)", and "(P)", respectively; in line 8, strike "APPROVED" and substitute "SELECTED"; in the same line, strike "JULY" and substitute "DECEMBER"; in line 9, strike "2026" and substitute "2027"; in line 12, strike "DECISION" and substitute "DETERMINATION"; and in line 20, after "PROPOSALS" insert "AND THE CONSTRUCTION OF THE PROPOSED OFFSHORE WIND PROJECT OR PROJECTS".

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On page 17, in line 4, strike “**BETWEEN JULY 31, 2024, AND APRIL 30, 2025, THE**” and substitute “**THE**”; in line 5, after “**SERVICES**” insert “**, IN CONSULTATION WITH THE PUBLIC SERVICE COMMISSION,**”; in the same line, strike “**AN INVITATION FOR BIDS**” and substitute “**A COMPETITIVE SEALED PROCUREMENT SOLICITATION**”; in line 7, strike “**BETWEEN 1,000,000 AND 8,000,000**” and substitute “**UP TO 5,000,000**”; in line 18, after “**INCLUDE**” insert “**;**”

**(I)**;

in line 22, after “**PJM INTERCONNECTION**” insert “**; AND**

**(II) THE EXTENT TO WHICH AN APPLICANT’S PROPOSAL PROVIDES FOR FINANCIAL AND TECHNICAL ASSISTANCE TO SUPPORT MONITORING AND MITIGATION OF WILDLIFE AND HABITAT IMPACTS ASSOCIATED WITH THE PROPOSED OFFSHORE WIND PROJECT;**

in line 24, after “**INCLUDE**” insert “**;**”

**(I)**;

in line 25, after “**PREFERENCES**” insert “**; AND**

**(II) A DESCRIPTION OF:**

**1. INITIAL PLANS FOR MITIGATING THE IMPACTS OF THE CONSTRUCTION AND OPERATION OF THE PROPOSED OFFSHORE WIND PROJECT ON FISHERIES AND THE ENVIRONMENT; AND**

**2. THE EXTENT TO WHICH AN APPLICANT WILL PROVIDE FOR FINANCIAL AND TECHNICAL ASSISTANCE TO SUPPORT THE**

MONITORING AND MITIGATION OF WILDLIFE AND HABITAT IMPACTS ASSOCIATED WITH THE PROJECT”;

in line 28, after “(2)” insert “(I)”; and after line 32, insert:

“(I) THE STATE SHALL BE EXEMPTED FROM THE RENEWABLE ENERGY PORTFOLIO STANDARD REQUIREMENTS UNDER § 7-703 OF THIS SUBTITLE IF THE DEPARTMENT OF GENERAL SERVICES PROCURES 100% OF THE STATE’S ENERGY NEEDS FROM THE POWER PURCHASE AGREEMENT REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.”.

On page 18, in line 10, strike “BIDDING” and substitute “PROCUREMENT SUBMISSION”; in line 11, after “DAYS;” insert “AND”; strike beginning with the semicolon in line 12 down through “2025” in line 14; in line 15, after “(E)” insert:

“(1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE STATE MAY ENTER INTO A CONTRACT OR CONTRACTS FOR THE PROCUREMENT ON OR BEFORE SEPTEMBER 1, 2025.

(2) THE STATE MAY MODIFY THE DATE ESTABLISHED IN PARAGRAPH (1) OF THIS SUBSECTION IF AN UNFORESEEN CIRCUMSTANCE ADVERSELY AFFECTS THE PROCUREMENT SUBMISSION PROCESS.

(F) (1) WITHIN 90 DAYS AFTER THE OPERATIONAL COMMENCEMENT DATE OF THE POWER PURCHASE AGREEMENT, ANY CONTRACTOR PROVIDING OPERATIONS AND MAINTENANCE SERVICES UNDER AN AGREEMENT WITH THE DEPARTMENT OF GENERAL SERVICES SHALL SUBMIT TO THE DEPARTMENT ATTESTATION THAT THE CONTRACTOR HAS ENTERED INTO A LABOR PEACE AGREEMENT WITH EACH LABOR ORGANIZATION THAT IS ACTIVELY ENGAGED IN

(Over)

REPRESENTING OR ATTEMPTING TO REPRESENT EMPLOYEES PERFORMING OPERATIONS AND MAINTENANCE WORK ON THE PROJECTS THAT:

(I) PROHIBITS STRIKES, LOCKOUTS, OR ANY OTHER ECONOMIC INTERFERENCE WITH THE CONTRACTED PROJECT;

(II) DESCRIBES THE CLASS OR CLASSES OF COVERED EMPLOYEES TO WHOM THE LABOR PEACE AGREEMENT APPLIES;

(III) DESCRIBES ANY CLASS OR CLASSES OF EMPLOYEES NOT CURRENTLY REPRESENTED BY A LABOR ORGANIZATION;

(IV) DESCRIBES THE CLASSES OF COVERED EMPLOYEES FOR WHICH LABOR PEACE AGREEMENT NEGOTIATIONS HAVE NOT YET CONCLUDED; AND

(V) FOR CLASSES OF EMPLOYEES THAT ARE NOT COVERED BY A LABOR PEACE AGREEMENT, PROVIDES AN ATTESTATION THAT NO LABOR ORGANIZATION HAS SOUGHT TO NEGOTIATE SUCH AN AGREEMENT.

(2) A LABOR PEACE AGREEMENT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE:

(I) VALID AND ENFORCEABLE UNDER 29 U.S.C. § 158; AND

(II) MAINTAINED AS AN ONGOING MATERIAL CONDITION OF ANY CONTINUATION OF PAYMENTS UNDER ANY AGREEMENT REQUIRED BY THIS SUBSECTION.

(G)”;

after line 17, insert:

“7-704.5.

(A) ON OR BEFORE DECEMBER 31, 2024, AND ON OR BEFORE EACH DECEMBER 31 THEREAFTER, THE COMMISSION SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE INFORMATION COLLECTED UNDER THE COMMISSION’S SUPPLIER DIVERSITY PROGRAM REGARDING OFFSHORE WIND DEVELOPERS.

(B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE:

(1) EFFORTS TO PROMOTE OPPORTUNITIES FOR SMALL, MINORITY, WOMEN-OWNED, AND VETERAN-OWNED BUSINESSES;

(2) INFORMATION ON PARTICIPATING OFFSHORE WIND DEVELOPERS;

(3) PARTICIPATION OF SMALL, MINORITY, WOMEN-OWNED, AND VETERAN-OWNED BUSINESSES IN OFFSHORE WIND PROJECTS, INCLUDING:

(I) THE NUMBER OF SMALL, MINORITY, WOMEN-OWNED, AND VETERAN-OWNED BUSINESSES THAT RECEIVE CONTRACTS OR SUBCONTRACTS FOR OFFSHORE WIND PROJECTS; AND

(Over)

(II) THE PERCENTAGE OF CONTRACTORS AND SUBCONTRACTORS ON OFFSHORE WIND PROJECTS THAT ARE SMALL, MINORITY, WOMEN-OWNED, OR VETERAN-OWNED BUSINESSES; AND

(4) PLANS TO INCREASE FUTURE PARTICIPATION OF SMALL, MINORITY, WOMEN-OWNED, AND VETERAN-OWNED BUSINESSES IN OFFSHORE WIND PROJECTS.”;

and in line 18, after “That” insert “it is the intent of the General Assembly that:

(1) four Position Identification Numbers (PINs) be created in the Public Service Commission for full-time positions that will focus only on implementing the provisions of § 7-704.3 of the Public Utilities Article, as enacted by Section 1 of this Act; and

(2) notwithstanding any other provision of law, for fiscal year 2025, the Governor may include in the annual budget bill an appropriation of not less than \$3,500,000 of additional funding to the budget of the Public Service Commission for the studies and analyses required under § 7-704.3 of the Public Utilities Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That”.