HOUSE BILL 1397

C5 5lr3146
CF SB 952

By: **Delegates Tomlinson, Bouchat, Ciliberti, Mangione, Miller, Pippy, Rose, and Stonko**
Introduced and read first time: February 7, 2025
Assigned to: Economic Matters

A BILL ENTITLED

AN ACT concerning

Certificate of Public Convenience and Necessity – Overhead Transmission Lines – Grid Enhancing Technologies

FOR the purpose of adding grid enhancing technologies to the list of requirements the Public Service Commission must consider before taking final action on an application for a certificate of public convenience and necessity for the construction of an overhead transmission line; and generally relating to certificates of public convenience and necessity for the construction of overhead transmission lines.

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–207(a) and (f)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)

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

Article – Public Utilities

7–207.

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

(2) "Brownfields site" means:

(i) a former industrial or commercial site identified by federal or State laws or regulation as contaminated or polluted;

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

(ii) a closed landfill regulated by the Department of the Environment; or

(iii) mined land.

(3) (i) "Construction" means:

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

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

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

(4) "Generating station" does not include:

(i) a generating unit or facility that:

1. is used for the production of electricity;

2. has the capacity to produce not more than 2 megawatts of alternating current; and

3. is installed with equipment that prevents the flow of electricity to the electric grid during time periods when the electric grid is out of service;

(ii) a combination of two or more generating units or facilities that:

1. are used for the production of electricity from a solar photovoltaic system or an eligible customer–generator that is subject to the provisions of § 7–306 of this title;

2. are located on the same property or adjacent properties;

3. have the capacity to produce, when calculated cumulatively for all generating units or facilities on the property or adjacent property, more than 2 megawatts but not more than 14 megawatts of alternating current; and

4. for each individual generating unit or facility:

A. has the capacity to produce not more than 2 megawatts of alternating current;

B. is separately metered by the electric company; and

C. does not export electricity for sale on the wholesale market under an agreement with PJM Interconnection, LLC;

(iii) a generating unit or facility that:

1. is used for the production of electricity for the purpose of:

A. onsite emergency backup at a facility when service from the electric company is interrupted due to electric distribution or transmission system failure or when there is equipment failure at a site where critical infrastructure is located; and

B. test and maintenance operations necessary to ensure functionality of the generating unit or facility in the event of a service interruption from the electric company due to electric distribution or transmission system failure or when there is equipment failure at a site where critical infrastructure is located;

2. is installed with equipment that prevents the flow of electricity to the electric grid;

3. is subject to a permit to construct issued by the Department of the Environment; and

4. is installed at a facility that is part of critical infrastructure if the facility complies with all applicable regulations regarding noise level and testing hours; or

(iv) a combination of two or more generating units or facilities that satisfy item (iii) of this paragraph.

(5) **(I) "GRID ENHANCING TECHNOLOGIES" MEANS INFRASTRUCTURE, HARDWARE, OR SOFTWARE THAT INCREASES THE CAPACITY, EFFICIENCY, RELIABILITY, OR RESILIENCE OF A NEW OR EXISTING TRANSMISSION LINE.**

(II) "GRID ENHANCING TECHNOLOGIES" INCLUDES:

1. HIGH–PERFORMANCE CONDUCTORS; AND

2. STORAGE USED AS TRANSMISSION.

(6) (i) "Mined land" means the surface or subsurface of an area in which surface mining operations will be, are being, or have been conducted.

(ii) "Mined land" includes:

1. private ways and roads used for mining appurtenant to any surface mining area;

2. land excavations;

3. workings; and

4. overburden.

[(6)**] (7)** "Qualified generator lead line" means an overhead transmission line that is designed to carry a voltage in excess of 69,000 volts and would allow an out–of–state Tier 1 or Tier 2 renewable source to interconnect with a portion of the electric system in Maryland that is owned by an electric company.

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

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

(i) the need to meet existing and future demand for electric service; **[**and**]**

(ii) for construction related to a new overhead transmission line, the alternative routes that the applicant considered, including the estimated capital and operating costs of each alternative route and a statement of the reason why the alternative route was rejected; **AND**

(III) THE USE OF GRID ENHANCING TECHNOLOGIES AS AN ALTERNATIVE TO CONSTRUCTION OF THE TRANSMISSION LINE;

(2) require as an ongoing condition of the certificate of public convenience and necessity that an applicant comply with:

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

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

(3) require the applicant to identify whether the overhead transmission line is proposed to be constructed on:

(i) an existing brownfields site;

(ii) property that is subject to an existing easement; or

(iii) a site where a tower structure or components of a tower structure used to support an overhead transmission line exist.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.