



**Testimony in Support with Amendments of
Public Service Commission - Application for Certificate of Public Convenience and
Necessity - Preservation of Environmental Quality and the Climate (SB 538)
Senate Finance Committee | February 25, 2020**

Anthony Field, Maryland Campaign Coordinator, CCAN Action Fund

The Chesapeake Climate Action Network and our lobbying arm CCAN Action Fund have spent the past 15 years urging Maryland to take the lead on addressing the emerging climate crisis by enacting strong climate policies. The first piece of legislation CCAN ever supported was the 2004 Renewable Portfolio Standard, mandating that 7.5 percent of the state's electricity come from renewable sources.

Since then, Maryland has made significant progress in combating climate change. Last year the State upped its clean-energy goals to 50 percent by 2030. The General Assembly in 2016 committed to reducing greenhouse gas emissions 40 percent below 2006 levels by 2030--a goal that legislators are considering increasing this year to line up with current science.

All parts of the State government should be marching in the same direction on climate. Right now, however, the Maryland Public Service Commission (PSC) does not have a specific mandate to consider climate change when it makes decisions. The PSC is a core part of the state government and the principal regulator of electricity in Maryland. This key agency must factor climate into its decision-making if the state is to meet the climate goals laid out by the world's leading scientists and the State of Maryland itself.

The climate issue came squarely before the PSC last year. Several environmental and community groups appealed the PSC's decision to approve a former coal plant's repowering to gas in part because the agency did not consider how climate change would impact the project itself. Groups were concerned about how sea level rise, storm surges, and extreme weather events could impact the facility and argued that the PSC erred in not considering climate change.

In response, the PSC Commissioners essentially said their hands were tied. "[Our governing statute] requires due consideration of "air and water pollution" issues "when applicable," the PSC said in [its Order denying the appeal](#), "[but t]he statute does not specifically or generally require considerations regarding climate change."

Likewise, the PSC staff argued in [its brief in the case](#) that "the Commission has never required that any consideration of climate change and its effects be included in a Proposed Order or C[ertificate of] P[ublic] C[onvenience and] N[ecessity] proceeding. As Staff is bound by Commission precedent, Staff recommends that the Commission reject this argument of the . . . Appeal."

Senate Bill 538 requires the PSC to consider the effect of a proposed generating station, overhead transmission line, or qualified generator lead line on the preservation of environmental quality and climate before taking final action on an application for a certificate of public convenience and necessity (CPCN).

We support the intention of SB 538 as it helps to ensure that the PSC is taking the state's climate commitments into account. We believe, however, that other state agencies -- namely the Department of Natural Resources (DNR) and the Maryland Department of the Environment (MDE) -- have valuable expertise that could help guide the PSC's evaluation of climate change.

The Department of Natural Resources (DNR) is home to the the Power Plant Research Program (PPRP), which is required to undertake a continuing research program for electric power plant site evaluation and related environmental and land use considerations. Expanding the scope of PPRP's analysis to include climate change would provide valuable information to aid in the PSC's decision-making. The Maryland Department of the Environment (MDE) has an existing Climate Change Program that manages the inventory of statewide greenhouse gas emissions and leads the state's greenhouse gas reduction planning process. These two agencies--DNR with its PPRP unit and MDE with its Climate Change Program--could provide valuable expertise and information to the Commission as it considers the new factor of climate change.

CCAN Action Funds requests the bill be amended to require the PPRP unit within DNR to include an evaluation of the impact of electric power plants on climate change as part of its ongoing research and that it be further amended to require that MDE report to the PSC on climate change before the PSC makes a final decision. These amendments would mirror the requirements in SB 656, which CCAN Action Fund fully supports. With these amendments noted, CCAN Action Fund urges a favorable report.

CONTACT

Anthony Field, Maryland Campaign Coordinator
anthony@chesapeakeclimate.org or (301) 664-4068