

MCapellan_FAV_SB578

Uploaded by: Capellan, Mary

Position: FAV

Bill Number: Senate Bill #SB578

Testimony from: Mary Capellan 2615 Harkins Rd
White Hall, MD 21161

Position: Support

As a property owner and participant in an Agricultural Preservation program in Harford County, MD, I support this bill to ensure that future applications to acquire new easements, particularly in preserved properties, via eminent domain for the purpose of constructing overhead transmission lines be denied without rigorous research, provided at the applicant's expense, that proves it is not feasible to use existing infrastructure and that demonstrates benefits to the community.

The application by Transource (MD Public Service Commission Case 9471) has forced property owners in northern Harford County, several with properties that are already preserved, to defend against easements over a 2+ year period. The Transource project does not stand up to investigation of necessity, benefit, and, especially, adherence to the terms of preservation agreements.

Cassilly_FAV_SB578

Uploaded by: Cassilly, Senator Bob

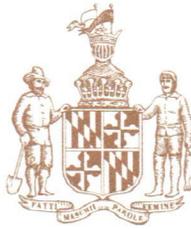
Position: FAV

ROBERT G. CASSILLY
Legislative District 34
Harford County

Judicial Proceedings Committee

Joint Committee on Administrative,
Executive, and Legislative Review

Joint Committee on Federal Relations



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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February 25, 2020

RE: Senate Bill 578 – Electricity – Considerations for Certificate of Public Convenience and Necessity and Overhead Transmission Lines

Dear Committee Members:

I request your support for SB 578. This bill will require the Public Service Commission (PSC) consider, as part of an application for a Certificate of Public Convenience and Necessity (CPCN), whether an applicant's design prioritizes the use of existing infrastructure or upgrading existing infrastructure. It also prohibits construction of an overhead transmission line on or within one mile of a property encumbered by a conservation easement unless there is an exceptional showing of good cause or to provide new electric services to an area with no existing service.

I will also introduce at the hearing a proposed amendment under which the Bill would also prohibit construction of a new transmission line for purpose of market efficiency or reliability if that line would cross a property that is subject to an existing conservation easement, unless that line is for service to an unserved area. It would also require the PSC to direct all transmission project applicants to design market efficiency and reliability projects using existing infrastructure.

Sincerely,

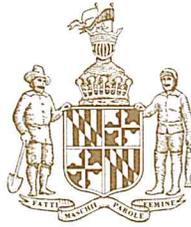
A handwritten signature in blue ink, appearing to be "Bob Cassilly", written over the word "Sincerely,".

Senator Bob Cassilly

HarcoSenators_FAV_SB578

Uploaded by: Cassilly, Senator Bob

Position: FAV



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401
HARFORD COUNTY DELEGATION

February 25, 2020

RE: **Senate Bill 578 – Electricity – Considerations for Certificate of Public Convenience
and Necessity and Overhead Transmission Lines**

Dear Chairwoman Kelley:

The Harford County Senators support Senate Bill 578. Thank you.

Handwritten signature of Senator J.B. Jennings in blue ink.

Senator J.B. Jennings
District 7

Handwritten signature of Senator Bob Cassilly in blue ink.

Senator Bob Cassilly
District 34

Handwritten signature of Senator Jason Gallion in blue ink.

Senator Jason Gallion
District 35

PHankins_FAV_SB578

Uploaded by: Hankins, Patti

Position: FAV

Testimony by Patti Hankins, Co-Chair
Stop Transource Power Lines MD, Inc.

MD Senate Finance Committee Hearing February 25, 2020

Senate Bill 578 Electricity – Consideration for Certificate of Public
Convenience and Necessity and Overhead Transmission Lines

Senators: I am providing testimony today in support of SB 578. North Harford County residents have been battling the Transource high transmission electric project for almost three years. We have learned during these years that Maryland taxpayers and MD electric ratepayers will be required to pay for a PJM process that is broken. A process that is meant to bring reliable and affordable electricity to Maryland residents. PJM failed to admit in November 2017 what North Harford residents knew, that PJM's Transource project could easily have been placed on existing BGE infrastructure. PJM VP Steve Herling admitted this during testimony to the MD Public Service Commission in May 2019 after enormous pressure from MD's DNR Power Plant Research Program.

MD has extensive existing electric transmission infrastructure. Large segments of this infrastructure are in need upgrades. Some of it was built in 1910's-1930's. Upgrades would allow for greater movement of electricity along the electrical grid. PJM stated at their February 8, 2018 Transmission Expansion Advisory Committee meeting that upgrades are the most cost-effective solutions. With today's advances additional capacity can be created by utilizing bundled conductors increasing voltages from 115 kV to 138 kV; 230 kV to 345 kV; 500 kV to 765 kV. Currently PJM's Market Efficiency BGE Project 5-E, labeled baseline 2992 is before the MD PSC for an Administrative Hearing on February 26, 2020. Project 5-E will add bundled conductors to their Conastone-Graceton and Graceton-Bagley-Raphael double 230 kV transmission circuits. In 2017 BGE completed the NETSI upgrade to these very same transmission lines adding a second 230 kV circuit, using the same ROW with no additional land required and lessening the environmental footprint by replacing lattice towers with monopole towers.

Why shouldn't this be Maryland's standard each and every time an electricity project moves through the PJM Regional Transmission Expansion Plan and MD PSC? Why should MD taxpayers pay for a lengthy and costly legal process at the MD PSC, MD DNR PPRP and the MD Office of People's Counsel, when using existing infrastructure would create less of a public outcry and make more economical sense? The burden of proving that new greenfield high voltage electric transmission is required should be placed on a company seeking a project to increase their market footprint, not MD citizens. MD electric ratepayers should be assured that every step is taken to prevent them from paying higher rates unless absolutely necessary. In addition, land that is in conservation easements at taxpayer expense should never be a target by PJM and their affiliated members and viewed as "undeveloped land". Land placed in conservation easements is meant to be preserved.

PJM has proven over and over again that their analysis of the cost benefit vs. the cost for a project, the B/C ratio is faulty. For example, the B/C ratio of BGE's Project 5-E was initially \$8.14/\$1 in 2018, currently the B/C ratio is \$1.11/\$1, far below PJM's required threshold of \$1.25/\$1. PJM's B/C analysis for the Transource project has repeatedly changed and is far less cost effective than initially touted.

The leadership of Stop Transource is available to discuss the information we have gathered since June 2017 regarding PJM's processes of approving electric transmission projects. Please give a favorable report for SB 578. Thank you.

CShrodes_FAV_SB578

Uploaded by: Shrodes, Chad

Position: FAV



COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND

CHAD R. SHRODES

Council Member, District D

212 S. Bond Street, Bel Air, Maryland 21014

410-638-3524

CShrodes@HarfordCountyMD.gov

February 25, 2020

Senate Finance Committee
Senator Delores G. Kelley, Chair
Senator Brian J. Feldman, Vice Chair
11 Bladen Street
Annapolis, MD 21401

RE: Support of SB578 – Electricity – Considerations for Certificate of Public Convenience and Necessity and Overhead Transmission Lines

Dear Chair Kelley, Vice Chair Feldman and Members of the Senate Finance Committee:

This letter is in support of Senate Bill 578 which requires the Public Service Commission to consider whether an applicant for a Certificate of Public Convenience and Necessity design prioritizes the use of existing infrastructure or upgrading existing infrastructure before taking final action. Moreover, the bill provides that the Public Service Commission is prohibited from authorizing the construction of an overhead transmission line within one mile of a conservation easement unless there is an exceptional showing of good cause.

Harford County has a long history of preserving its agricultural farmland and is very protective of this preserved land. This policy is evidenced by the joining of the County Council and the citizens against the construction of transmission lines on agriculturally preserved land in northern Harford County proposed by Transource of Maryland.

In summary, I respectfully urge the Committee to favorably report this proposed legislation. Thank you for your consideration.

Sincerely yours,

A handwritten signature in blue ink that reads "Chad Shrodes". The signature is written in a cursive style.

Chad Shrodes

Council Member, District D

Wiley_FAV_SB578

Uploaded by: Wiley, James

Position: FAV

Bill Number: Senate Bill #SB578

Testimony from: James R. Wiley 2613 Harkins Rd
White Hall, MD 21161

Position: Support

As a property owner and participant in an Agricultural Preservation program in Harford County, MD, I support this bill to ensure that future applications to acquire new easements, particularly in preserved properties, via eminent domain for the purpose of constructing overhead transmission lines be denied without rigorous research, provided at the applicant's expense, that proves it is not feasible to use existing infrastructure and that demonstrates benefits to the community.

The application by Transource (MD Public Service Commission Case 9471) has forced property owners in northern Harford County, several with properties that are already preserved, to defend against easements over a 2+ year period. The Transource project does not stand up to investigation of necessity, benefit, and, especially, adherence to the terms of preservation agreements.

FirstEnergy_UNF_SB578

Uploaded by: Greal, Anne

Position: UNF



Anne M. Grealy
Senior Advisor, Government &
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Annapolis, MD 21401
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SB 578 Electricity – Considerations for Certificate of Public Convenience and Necessity and Overhead Transmission Lines

Unfavorable

Potomac Edison, a subsidiary of FirstEnergy Corp., serves about 270,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties). FirstEnergy is dedicated to safety, reliability and operational excellence. Its ten electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, West Virginia, Maryland and New York.

Potomac Edison requests an Unfavorable report on SB 578 for the following reasons.

Potomac Edison is obligated to ensure reliable service to our customers, which includes responding to changes in conditions that affect reliability with solutions that provide maximum benefit, minimize impact to property owners, and avoids unnecessary economic burden to our customers. Load centers and generation sources are changing. These dynamic forces can and do result in a critical need for upgrades to the transmission system, including the construction of new infrastructure. The proposed legislation unnecessarily encumbers the existing regulatory process, the Certificate of Public Convenience and Necessity (CPCN), directed by the Maryland Public Service Commission (PSC) and could add a significant economic burden to customers, and risks compromising the ability of utilities to appropriately upgrade the electric system. SB 578 requires the PSC to consider whether the applicant's design prioritizes the use of existing infrastructure or upgrading existing infrastructure. It also states that an overhead transmission line cannot be constructed within one mile of a conservation easement unless there is an exceptional showing of good cause. The PSC already considers use of existing structures, so the statutory language is unnecessary. Additionally, creating an "almost never build" zone of one mile around every conservation easement in the state will in effect block most or all new power lines. The bill is contrary to the public interest and constrains the PSC's ability to balance all appropriate factors in siting transmission lines.

In order to avoid these negatives, Potomac Edison respectfully requests an **unfavorable report** on SB 578.

PHI_UNF_SB578

Uploaded by: Lanier, Ivan

Position: UNF



An Exelon Company



An Exelon Company

February 25, 2020

112 West Street
Annapolis, MD 21401
410-269-7115

OPPOSE – SB 578
**Senate Bill 578 Electricity – Considerations for Certificate of Public
Convenience and Necessity Overhead Transmission Lines**

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) oppose **Senate Bill 578 Electricity – Considerations for Certificate of Public Convenience and Necessity Overhead Transmission Lines**. Senate Bill 578 would require the Public Service Commission to take final action on an application for a certificate of public convenience and necessity only after due consideration of factors including whether the applicant's design prioritizes the use or upgrading of existing infrastructure. It would also prohibit the construction of an overhead transmission line that is aligned with and within 1 mile of a conservation easement unless there is a verified justification of good cause.

Senate Bill 578 is unnecessary. The current CPCN process already ensures that all environmental, historical, ratepayer impacts and other considerations are addressed by the applicant. The process involves notifying specific stakeholders, public hearings, and the consideration of recommendations by State and local government entities and the project's effect on various aspects of the State infrastructure, economy and environment. The very purpose of the CPCN permitting process is to determine whether the applicant has met the standards for receiving a permit, including the location of projects. Senate Bill 578 requires the Commission to look at how the project proponent prioritized the use of existing infrastructure or upgrades existing infrastructure. This is a requirement on the Commission before they can issue a CPCN, to merely look at it so it's part of the record for the CPCN. However, it's open ended because it does not stipulate whether the use of existing infrastructure is preferred.

A CPCN process is a comprehensive regulatory process, requiring input from various State agencies such as the Power Plant Research Program, the Department of Natural Resources, and the Maryland Department of the Environment as well as input from impacted local governing body or bodies, landowners, and the public. Under Maryland law, Pepco and Delmarva power must obtain a CPCN for any transmission line project 100kV and above—by way of example, two prior transmission projects undertaken for reliability that required CPCNs include the Burtonville to Takoma project and the Piney Grove to Wattsville project. It is the Commission's statutory obligation to determine whether a CPCN is in the best interests of Maryland and the reliability of the electric system. Specifically, the Commission must consider, among other items the effect of the project on the stability and reliability of the electric system; economics; esthetics; historic sites; aviation safety; air and water pollution; and the need to meet existing and future demand for electric service.

The Department of Natural Resources (DNR) input to the CPCN process is particularly important. DNR reviews air and water impacts, and in reviewing both it considers the health impacts on persons affected by proposed infrastructure. Specifically, DNR's air pollution review assesses air emissions compliance with federal national ambient air quality standards, which are determined based on human health risk assessments. The existing CPCN process sufficiently assesses the impact of a particular project and as such Senate Bill 578 is unnecessary.

For the above reasons, Pepco and Delmarva Power respectfully request an unfavorable vote on Senate Bill 578.

Contact:

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Ivan.Lanier@pepco.com

BGE_UNF_SB 578

Uploaded by: Washington, Charles

Position: UNF



An Exelon Company

Position Statement

Oppose
Finance Committee
02/25/2020

SB 578 Electricity - Considerations for Certificate of Public Convenience and Necessity and Overhead Transmission Lines

Baltimore Gas and Electric Company (BGE) opposes *Senate Bill 578 Electricity – Consideration for Certificate of Public Convenience and Necessity and Overhead Transmission Lines*, which would require the Public Service Commission (Commission), before taking final action on an application for a Certificate of Public Convenience and Necessity (CPCN), to consider whether an applicant’s design prioritizes the use of existing infrastructure or upgrading existing infrastructure. In addition, the bill would prohibit the Commission from authorizing – and a person from undertaking – the construction of an overhead transmission line that is aligned with and within one mile of a conservation easement unless there is an exceptional showing of good cause.

While this legislation is well intentioned, BGE believes it is unnecessary as the Commission already takes into consideration any conservation easements or other environmental constraints that pertain to the site of an overhead transmission line. The legislation would unduly restrict the Commission’s ability to balance the public need to site the overhead transmission line in a particular location with a myriad of factors, including environmental considerations.

This legislation would create more questions than solutions with particular concern around the language that restricts construction within 1 mile of a conservation easement is concerning. As currently drafted, this legislation would apply to rebuilds and modifications of existing transmission lines, which is extremely restrictive in scope and would alter the utility’s mechanisms for compliance.

The electric transmission system is analogous to the interstate highway system. Its purpose is to move electricity efficiently, to eliminate congestion or traffic jams and ensure electricity is delivered to where customers need it. BGE’s transmission system consists of more than 6,000 structures that move high-voltage electricity from power sources to BGE substations where the voltage is managed and then moved along the distribution system until ultimately it is safely delivered to homes and businesses. Transmission of electricity is required to keep the lights on in Maryland.

Currently, state agencies already have the obligation to examine the impacts of CPCN projects. The CPCN regulatory process is designed to consider the physical, environmental, aesthetic and noise impacts of a transmission line project. These construction impacts are currently considered by the Commission as part of the thorough process for reviewing an application for a CPCN. The Commission has an opportunity to require an applicant to mitigate and properly manage any adverse construction impacts through the issuance of licensing conditions that attach to a grant of a CPCN. A CPCN process is a comprehensive

regulatory process, involving many state agencies, including the Power Plant Research Program, the Department of Planning, the Department of Natural Resource and the Maryland Department of the Environment, as well as input from the impacted local governing body or bodies, landowners, and the public.

Additionally, construction environmental and health impacts are largely mitigated through the regulatory permitting requirements for a project. Permit conditions require the company to manage: particulate matter from construction activity and air pollution, such as dusting from construction activity. It restricts any cause of discharge into the atmosphere any odors or vapors that may be a nuisance.

Because it is a truly comprehensive information gathering process, the CPCN process typically takes roughly 18 months to complete.

From a technical standpoint, the restriction contained in the bill to limit new transmission construction to existing rights-of-way is simply unworkable from an engineering and system planning perspective. Electric companies always look to existing rights-of-way first as part of the project planning process, and the preferred option is always to make use of such existing property rights. In order to address safety, reliability, and/or market efficiency concerns; however, simply upgrading existing transmission lines or installing new overhead transmission lines within existing right-of-way may not be feasible or may not mitigate the underlying concern that drives the need for the project. The practicality of constructing on existing rights-of-way is limited to the extent that the existing assets can be compressed to a minimum footprint. At some point, the rights-of-way cannot support any additional lines, essentially capping the expandability of the transmission system. Importantly, the Commission considers alternative routes and the technical requirements of a proposed transmission project under the regulations that govern the existing CPCN adjudicatory process.

It is the Commission's statutory obligation to determine whether a CPCN is in the best interest of Maryland and the reliability of the electric system. BGE believes that the current scope of environmental considerations sufficiently provides guidance to the Commission, state agencies and local governments when considering CPCN applications and the siting of new and existing transmission lines. For these reasons, BGE respectfully request that the Committee vote unfavorable on this legislation.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.2 million electric customers and more than 655,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's leading competitive energy provider.