



Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, Senate Finance Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: SB0417 (HB0777) - Power Plant Research Program - Review of Application for Certificate of Public Convenience and Necessity - Alterations
DATE: February 10, 2021

MEA POSITION: Letter of Information

The intent of this bill, while well-meaning, will duplicate a process already in motion. Senate Bill 417 alters the Certificate of Public Convenience and Necessity (CPCN) process by requiring that the Public Service Commission (PSC) in turn require that the Department of Natural Resources obtain a specific, independent project assessment report .

There is already a PSC Rulemaking in process that is meant to address changes to the CPCN process, “RM72”. The following are excerpts from that PSC docket.

With limited exception, all utility-scale solar projects must first obtain a Certificate of Public Convenience and Necessity (“CPCN”) from the Commission prior to beginning construction. The CPCN application process is governed under the Public Utilities Article, Annotated Code of Maryland, §§ 7-207 through 7-208, and the Code of Maryland Regulations (“COMAR”) 20.79. Each CPCN application is subject to a comprehensive review by the Commission based on evidence submitted by the parties to the proceeding, which includes an independent project evaluation by seven reviewing State agencies. Nevertheless, the Commission is committed to exploring ways to enhance this process for the benefit of all parties and the public.¹

On December 18, 2020, the Commission’s Technical Staff (“Staff”) submitted a Petition for a Rulemaking for the purpose of revising the COMAR provisions governing applications for a Certificate of Public Convenience and Necessity to include certain application requirements, including the establishment of a new pre-application process, for the construction of large-scale generating stations.²

As a result of RM72, several parties have already weighed in on potential changes to the CPCN process, and that public, inclusive forum may be the most appropriate venue to elicit any desired changes.

¹https://webapp.psc.state.md.us/newIntranet/AdminDocket/NewIndex3_VOpenFile.cfm?FilePath=//Coldfusion/AdminDocket/RuleMaking/RM72//1.pdf

²https://webapp.psc.state.md.us/newIntranet/AdminDocket/NewIndex3_VOpenFile.cfm?FilePath=//Coldfusion/AdminDocket/RuleMaking/RM72//11.pdf