

FREDERICK H. HOOVER, JR.  
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## PUBLIC SERVICE COMMISSION

Chair Brian Feldman  
Education, Energy and the Environment Committee  
2 West Miller Senate Building  
Annapolis, MD 21401

### **RE: HB 829 – Favorable with Amendments – Public Utilities - Transmission Lines - Advanced Transmission Technologies**

Dear Chair Feldman and Committee Members:

The Public Service Commission (the Commission) requests a favorable report on HB 829, with consideration of the amendment detailed below. The Commission has had extensive discussions with the bill sponsor to enhance the bill language to achieve the policy directives set forth in the bill and ensure implementation of the bill.

The bill modifies the regulation and approval process for overhead transmission lines, incorporating requirements for advanced transmission technologies, enhanced analytical reporting, and potential incentives for advanced transmission technologies. The bill alters the Certificate of Public Convenience and Necessity (CPCN) process, mandates transmission congestion reports, and establishes guidelines for considering alternatives to new transmission infrastructure.

The proposed legislation adds requirements to the CPCN process which requires an applicant to demonstrate that evidence of alternatives or options beyond traditional power transmission design methods were considered. These advanced transmission technologies include materials, equipment, software, and energy storage components which increase the ability of transmission lines to transmit electrical power. Additionally, the applicant must demonstrate other items were considered such as costs, resource adequacy, and environmental impacts. The Commission shall then consider the evidence of the alternatives when taking final action on a CPCN.

The Commission notes that a large amount of the work to implement the CPCN provisions will fall to the applicant and the Power Plant Research Program (PPRP), which provides an analysis to the Commission for consideration for conditions for the CPCN. The Commission will then be responsible for reviewing the analysis and the resulting conditions, along with considerations already required by current statute.

The Commission suggests the definition of a “qualified generator lead line” in § 7-207(a)(7) be amended. As written, a possible interpretation might be that any software change might require a CPCN for a qualified transmission lead line without any other work on the transmission line. A possible solution that the sponsor might consider would be the following. “Qualified generator lead line” means an overhead

transmission line INCLUDING ADVANCED TRANSMISSION TECHNOLOGY 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.

In addition, the Commission interprets the enactment of HB 829 to apply prospectively. Therefore, the provisions would not apply to applications currently under consideration by the Commission. However, the Commission always has discretion to request additional information from applicants not previously provided in the CPCN application.

The Public Service Commission appreciates the opportunity to provide testimony on HB 829. The Commission requests a favorable report, with the amendment as detailed above, as this bill has the potential to mitigate costs for transmission projects. Please contact the Commission's Director of Legislative Affairs, Christina M. Ochoa, if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Frederick H. Hoover". The signature is written in a cursive style with a large, stylized 'F' and 'H'.

Frederick H. Hoover, Chair  
Maryland Public Service Commission