



An Exelon Company



An Exelon Company

March 5, 2020

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

OPPOSE – HB 1014
House Bill 1014 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 House Bill 1014 Electricity – Considerations for Certificate of Public Convenience and Necessity Overhead Transmission Lines. House Bill 1014 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.

House Bill 1014 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. House Bill 1014 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 House Bill 1014 is unnecessary.

For the above reasons, Pepco and Delmarva Power respectfully request an unfavorable vote on House Bill 1014.

Contact:

Katie Lanzarotto
Senior Legislative Specialist
202-872-3050
Kathryn.lanzarotto@exeloncorp.com

Ivan K. Lanier
State Affairs Manager
410-269-7115
Ivan.Lanier@pepco.com