

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 753 (Senator Kramer)
Education, Energy, and the Environment

**Offshore Wind Turbines and Accessory Installations - Aircraft Detection
Lighting Systems**

This bill requires, beginning October 1, 2025, any wind turbine and accessory installation constructed in connection with a qualified offshore wind project or an offshore wind transmission project to include the installation of an aircraft detection lighting system approved by the Federal Aviation Administration (FAA). A person who owns or operates a qualified offshore wind project or an offshore wind transmission project constructed before October 1, 2025, that is *not* equipped with an FAA-approved aircraft detection lighting system must take specified actions to apply for FAA approval and install such a system. More specifically, the person must apply to FAA by December 1, 2025, and must commence installation on each wind turbine and any accessory installation associated with the project within three months after FAA approves and certifies the system. The Public Service Commission (PSC) must adopt regulations to carry out the bill.

Fiscal Summary

State Effect: PSC can handle the bill's requirements with existing budgeted resources; the bill does not otherwise materially affect State finances or operations.

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Minimal or none.

Analysis

Current Law:

Definitions

“Qualified offshore wind project” means a wind turbine electricity generation facility, including the associated transmission-related interconnection facilities and equipment, that:

- is located on the outer continental shelf of the Atlantic Ocean in an area that the U.S. Department of the Interior designates for leasing and, generally, is more than 10 miles off the coast of the State; and
- interconnects to the PJM Interconnection grid at a point located on the Delmarva Peninsula, or through an offshore wind transmission project.

“Offshore wind transmission project” means an electric transmission project selected by PSC to interconnect directly or indirectly with one or more qualified offshore wind projects.

Offshore Wind – Generally

Chapter 3 of 2013 established a carve-out in the State Renewable Energy Portfolio Standard (RPS) for offshore wind energy, requiring State electricity sales to include an amount derived from offshore wind energy beginning in 2017. The amount is set by PSC each year, based on the projected annual creation of offshore wind renewable energy credits (ORECs) by qualified offshore wind projects, and may not exceed 2.5% of total retail sales. Chapter 757 of 2019 bifurcated the application and approval process for offshore wind into “Round 1” (the process established by Chapter 3) and a “Round 2” process to allow for new applications with different specifications. PSC may also provide for additional application periods.

Chapter 95 of 2023 established a State goal of reaching 8,500 megawatts of offshore wind energy by 2031. The Act also required (1) PSC to take specified actions related to regional transmission system upgrades for offshore wind and (2) the Department of General Services (DGS) to issue a competitive sealed procurement solicitation and authorized the department to enter into at least one contract for a power purchasing agreement to procure up to 5.0 million megawatt-hours annually of offshore wind energy and associated renewable energy credits from one or more qualified offshore wind projects.

Chapter 431 of 2024 altered processes for Round 1, Round 2, and DGS-procured offshore wind projects. Any Round 1 offshore wind project may seek PSC approval to amend its

previously approved project order to increase the maximum amount of ORECs and modify its project schedule. PSC was required to open a revised Round 2 offshore wind project proceeding limited to evaluating revised project schedules, sizes, or pricing for a previously approved Round 2 project. The DGS procurement established by Chapter 95 was modified to, among other changes, (1) remove the 5.0 million megawatt-hour annual limit and (2) require a second procurement. PSC was also required to develop a plan for achieving a total of 8,500 megawatts of offshore wind energy capacity by 2031 and submit a [report](#) on the plan to the General Assembly by January 1, 2025.

PSC [Order No. 91496](#) contains the commission's decision on revised offshore wind project proceedings under Chapter 431. The order states that US Wind will construct a 1,710-megawatt project consisting of 114 turbines over four phases, with operation dates in 2029 and 2030. PSC approved a 20-year OREC price schedule for each phase, coincident with the projected operation date for each phase. When all four phases are complete, US Wind is approved for nearly 7.0 million ORECs annually. At this time, US Wind is the sole developer under the State RPS.

State Fiscal Effect: In its 2021 Round 2 order approving the US Wind offshore wind project, PSC added a condition requiring the use of an approved aircraft detection lighting system, if available. PSC advises that, subsequently, the Bureau of Ocean Energy Management has indicated that it will make all applicant-proposed measures, such as aircraft detection lighting systems, a condition of federal approval for proposed offshore wind projects. Accordingly, PSC can handle the bill's requirements with existing budgeted resources and the bill does not otherwise materially affect State finances or operations.

Additional Comments: According to FAA, an aircraft detection lighting system uses sensors to detect aircraft as they approach an obstruction or group of obstructions. Lights come on when an aircraft is detected or if there is a system failure. Lights remain on until aircraft are clear of the coverage area.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Public Service Commission; Federal Aviation Administration; Department of Legislative Services

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km/lgc

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