

**STATE OF MARYLAND
OFFICE OF PEOPLE'S COUNSEL**

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Bill No.: **Senate Bill 1073-- Certificate of Public Convenience
and Necessity--Overhead Transmission Lines**

Committee: **Finance**

Hearing Date: **March 20, 2012**

Sponsors: **Senator Middleton**

Position: **Support**

Senate Bill 1073 would permit the Public Service Commission(PSC) to waive the initial requirement for a certificate of public convenience and necessity (CPCN) for *new* construction of overhead transmission lines in excess of 69,000 volts upon a showing of good cause. The Bill also would allow the PSC to waive the CPCN requirement if the work to be performed relates to an *existing* transmission line in excess of 69,000 volts and (1) does not require the acquisition of new real property or new rights of way or (2) require higher structures to accommodate increased voltage or larger conductors. Finally, the Bill would make clear that utilities do not need a CPCN for construction necessary to eliminate imminent safety hazards or reliability risks.

Since the Bill would still allow the PSC to determine whether waivers are appropriate upon a showing by the utility of either good cause or that the statutory

requirements as to existing lines have been met, the Office of People's Counsel can support the Bill. As written, the Bill gives the PSC the discretion to decide whether the waivers are in the public interest. OPC may have a different opinion if the Bill is amended at a later date to reduce the PSC's discretion over the granting of waivers. Certain minor modifications for safety, repair or reliability upgrades may be appropriate for such waivers. For example, it might be appropriate to waive the CPCN requirement for a modification to a transmission tower to raise its height slightly to avoid the potential for interference with a line if the property near the tower is going to be used in a new way (e.g., a ball field). The construction could begin faster and administrative resources could be conserved if waivers are granted in appropriate instances. Finally, OPC supports the portion of the Bill that provides that CPCNs are not necessary if the construction is done to eliminate imminent safety hazards or reliability risks with later reporting to the Commission. That portion of the Bill will help to ensure that those types of repairs can be made as quickly as possible so the delivery of safe and reliable electric power to customers is not impacted.