

SENATE BILL 899

C5

5lr2881
CF 5lr3076

By: **Senators Waugh, Astle, Bates, Cassilly, DeGrange, Edwards, Jennings, Klausmeier, Middleton, Miller, Norman, Ready, Serafini, and Simonaire**
Introduced and read first time: March 4, 2015
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Offshore Wind – Application for Proposed Project – Evaluation and Approval**

3 FOR the purpose of requiring the Public Service Commission to evaluate the extent to
4 which an applicant’s plan for a certain proposed offshore wind project directly or
5 indirectly encroaches on certain existing property; prohibiting the Commission from
6 approving an applicant’s proposed offshore wind project unless the proposed offshore
7 wind project will not impact certain restricted areas and a certain warning area in a
8 certain manner; and generally relating to applications for an offshore wind project.

9 BY repealing and reenacting, with amendments,
10 Article – Public Utilities
11 Section 7–704.1(d)(1)(xiii) and (xiv) and (e)(1)
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2014 Supplement)

14 BY adding to
15 Article – Public Utilities
16 Section 7–704.1(d)(1)(xiv)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2014 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – Public Utilities**

22 7–704.1.

23 (d) (1) The Commission shall use the following criteria to evaluate and
24 compare proposed offshore wind projects:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (xiii) estimated ability to assist in meeting the renewable energy
2 portfolio standard under § 7-703 of this subtitle; [and]

3 **(XIV) THE EXTENT TO WHICH AN APPLICANT'S PLAN DIRECTLY OR**
4 **INDIRECTLY ENCROACHES ON EXISTING PRIVATE, STATE, FEDERAL, OR MILITARY**
5 **INFRASTRUCTURE, RESOURCES, FACILITIES, RANGES, OR OPERATING**
6 **ENVIRONMENTS; AND**

7 ~~[(xiv)]~~ **(XV)** any other criteria that the Commission determines to be
8 appropriate.

9 (e) (1) The Commission may not approve an applicant's proposed offshore
10 wind project unless:

11 (i) the proposed offshore wind project demonstrates positive net
12 economic, environmental, and health benefits to the State, based on the criteria specified
13 in subsection (c)(3) of this section;

14 (ii) the projected net rate impact for an average residential
15 customer, based on annual consumption of 12,000 kilowatt-hours, combined with the
16 projected net rate impact of other qualified offshore wind projects, does not exceed \$1.50
17 per month in 2012 dollars, over the duration of the proposed OREC pricing schedule;

18 (iii) the projected net rate impact for all nonresidential customers
19 considered as a blended average, combined with the projected net rate impact of other
20 qualified offshore wind projects, does not exceed 1.5% of nonresidential customers' total
21 annual electric bills, over the duration of the proposed OREC pricing schedule; [and]

22 (iv) the price set in the proposed OREC price schedule does not
23 exceed \$190 per megawatt-hour in 2012 dollars; AND

24 **(V) THE PROPOSED OFFSHORE WIND PROJECT WILL NOT**
25 **IMPACT THE PHYSICAL AREA OR ANY PART OF THE ELECTROMAGNETIC SPECTRUM**
26 **IN LINE OF SIGHT OF:**

27 **1. THE CHESAPEAKE AND ATLANTIC TEST RANGES,**
28 **DEFINED VERTICALLY AND Laterally BY THE FEDERAL AVIATION**
29 **ADMINISTRATION AS RESTRICTED AREAS R-4002, R-4005, R-4006, R-4007,**
30 **R-4008, AND R-6609 AND WARNING AREA W-386; OR**

31 **2. THE WALLOPS ISLAND FLIGHT FACILITY, DEFINED**
32 **VERTICALLY AND Laterally BY THE FEDERAL AVIATION ADMINISTRATION AS**
33 **RESTRICTED AREA R-6604.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2015.