



MARYLAND
Association of
COUNTIES

House Bill 1406

Certificate of Public Convenience and Necessity - Environmental Impact Analysis and Existing Burden Report

MACo Position: **SUPPORT**

To: Economic Matters Committee

Date: February 21, 2025

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1406. This bill places additional environmental considerations for projects undergoing a State Certificate of Public Convenience and Necessity (CPCN) application.

The 2025 Maryland General Assembly is facing a historic number of complex generational challenges. One of the loudest issues to arise has been Maryland's current energy challenges. Due to a growing economy, shifts in policy favoring electrification, and the budding energy-hungry data center industry in Virginia, ratepayers are set to see large increases in the cost of energy across the PJM region. To compound the complexity, Maryland is still trying to drive toward many environmental goals, including addressing environmental justice, conserving irreplaceable sensitive lands, and mitigating against climate change. In this dynamic environment, policymakers and implementors are increasingly seeing goal competition, where priorities are now competing and – in some instances – conflicting.

HB 1406 as drafted is smart, well-balanced legislation which brings additional clarity and direction to communities, implementors, and stakeholders. This bill establishes environmental review criteria for projects going through the CPCN process. Importantly, it requires both the applicants and the PSC to consider additional context and community impact which previously may have been unaddressed.

This is commonsense legislation which seeks to address conflicts between Maryland's growing demand for energy and the state's multipronged efforts to create a healthier environment. For this reason, MACo urges the Committee to give HB 1406 a **FAVORABLE** report.