

THE MARYLAND CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY



DEPARTMENT OF LEGISLATIVE SERVICES 2026

The Maryland Certificate of Public Convenience and Necessity

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The Maryland Certificate of Public Convenience and Necessity

Overview

A certificate of public convenience and necessity (CPCN) must be issued by the Public Service Commission (PSC) before a generating station, a qualified generator lead line, an overhead transmission line designed to carry more than 69,000 volts, or certain energy storage devices¹ may be constructed in the State. The CPCN process allows PSC to comprehensively consider the effects of a proposed project. Each proposal is subject to public comment and a public hearing through which various interested parties may provide input. In addition to the public at large, PSC receives input from State agencies with subject matter expertise and representatives of local governments. PSC is then required to weigh the information elicited throughout the application process and make a decision to deny, grant, or, in some cases, conditionally grant a CPCN.

Certain types of projects are exempted from the CPCN requirement by law. Some projects are excluded from the definition of a generating station and thus are exempted from PSC pre-construction review altogether, some are eligible for an expedited application and review process conducted by PSC, and some may apply to PSC for a distributed generation certificate of public convenience and necessity (DGCPCN), a streamlined permitting process for specified solar energy projects. The relevant statutory provisions are found in the following sections of the Public Utilities Article:

- §§ 7-207 and 7-208 (traditional CPCN process);
- §§ 7-207.1, 7-207.2, and 7-704.3 (processes for various exempted projects);
- § 7-207.4 (DGCPCN process); and
- § 7-207.5 (temporary expedited process).

Detailed CPCN requirements, CPCN exemption criteria, DGCPCN requirements, major relevant legislative changes, and agency performance data are discussed in more detail below.

Obtaining a Certificate of Public Convenience and Necessity

Applicability

The CPCN requirement applies to the construction of generating stations, qualified generator lead lines, overhead transmission lines designed to carry more than 69,000 volts, and, through June 30, 2030, certain energy storage devices. These terms are further defined in statute, regulation, or both.

¹ The requirement to obtain a CPCN for the construction of certain energy storage devices terminates at the end of June 30, 2030, in accordance with Chapters 625 and 626 of 2025.

Broadly, construction is defined as, among other things, any physical change at a site, including fabrication, erection, installation, or demolition, and includes modifications in certain circumstances.² PSC regulations define a generating station as property or facilities located in Maryland constituting an integral plant or generating unit for the production of electric energy (including any new production unit that would be added to an existing production plant) with a generating capacity of more than 2 megawatts (MW).³ State law specifies several exemptions to this definition, which are discussed in the section “Excluded from the Definition of Generating Station” below.

A transmission line is defined as “property or facilities constructed in Maryland as an overhead transmission line designed to carry a voltage in excess of 69,000 volts.”⁴ A qualified generator lead line is a specific type of transmission line, defined as “an overhead transmission line that is designed to carry a voltage in excess of 69,000 volts and would allow an out-of-state Tier 1 or Tier 2 renewable source to interconnect with a portion of the electric system in Maryland that is owned by an electric company.”⁵

An energy storage device is “a resource capable of absorbing electrical energy, storing it for a period of time, and delivering the energy for use at a later time as needed, regardless of where the resource is located on the electric system.”⁶ However, the requirement to obtain a CPCN for the construction of an energy storage device applies only (1) to an energy storage device that is part of a proposal approved by PSC for the construction or expansion of “dispatchable energy generation” or “large capacity energy resources” and (2) through June 30, 2030.⁷

Process

CPCN cases are structured as administrative law proceedings, which are either overseen by PSC itself or delegated to a public utility law judge (PULJ). In practice, most CPCN cases are delegated, but the full PSC generally oversees transmission line cases. The various parties involved in CPCN cases are generally represented by lawyers. Parties to a case include the applicant, the Power Plant Research Program (PPRP) (a division of the Department of Natural Resources (DNR) that acts on behalf of DNR and other State agencies), PSC staff, and the Office of People’s Counsel (acting on behalf of Maryland ratepayers). Other groups, such as federal agencies, local governments, and private environmental organizations, as well as individuals, may participate in the hearing process. **Exhibit 1** shows the main steps involved in PSC’s review of a CPCN application, from the time an application is received through the issuance of a final decision.

² See § 7-207 of the Public Utilities Article and COMAR 20.79.01.02.

³ See COMAR 20.79.01.02.

⁴ See COMAR 20.79.01.02.

⁵ See § 7-207 of the Public Utilities Article.

⁶ See §§ 7-207(b)(1)(i)3, 7-1206, 7-1201, and 7-216 of the Public Utilities Article.

⁷ See Chapters 625 and 626 of 2025 for additional detail on dispatchable energy generation and large capacity energy resources.

Exhibit 1
Review Process For a CPCN Application

Initiation of Proceeding	<ul style="list-style-type: none"> • PSC conducts the CPCN process or delegates to a PULJ. • CPCN application is reviewed for completeness.
Pre-hearing Conference	<ul style="list-style-type: none"> • A procedural schedule is agreed upon.
Public Hearings	<ul style="list-style-type: none"> • Members of the public have an opportunity to comment. • The PSC or PULJ listen but do not respond to substantive questions about the project.
Filing of Testimony	<ul style="list-style-type: none"> • Written pre-filed testimony subject to cross-examination.
Evidentiary Hearing	<ul style="list-style-type: none"> • Only parties of record participate, but public may attend and watch the proceedings. • Witnesses are called; each party and the PSC or PULJ have an opportunity to cross-examine the witnesses.
PULJ Proposed Order (if applicable)	<ul style="list-style-type: none"> • Proposed order with a period of up to 30 days to appeal the order to PSC.
PSC Final Order	<ul style="list-style-type: none"> • If a matter is before PSC (rather than a PULJ), the PSC issues a final order after the evidentiary hearing. • When a PULJ issues a proposed order, it becomes PSC's final order unless an appeal is filed or PSC decides to conduct a further review. • If an appeal is filed, PSC conducts an independent review and issues a final order.
Appeal (if applicable)	<ul style="list-style-type: none"> • A final order may be appealed to the Circuit Court.

CPCN: Certificate of public convenience and necessity

PULJ: Public utility law judge

Source: Department of Natural Resources; Public Service Commission

Pre-application Requirements

The process of obtaining a CPCN begins before an application is submitted and varies depending on project type. For a qualifying generating station – defined by PSC as a specified fossil fuel generating station with a nameplate capacity of more than 70 MW – an applicant must, among other things, notify PSC and PPRP at least 90 days before filing an application and offer specified community engagement.⁸ For a generating station, an applicant must, among other things, submit to and request from the affected county or municipality specified information at least 90 days before filing an application and meet with PPRP at least 45 days before filing the application.⁹ For a qualified generator lead line, an applicant must offer the relevant electric company the opportunity to construct the line at least 90 days before filing an application.¹⁰

Application

PSC does not have a form for a CPCN application. Instead, a party seeking to obtain a CPCN must comply with the requirements set forth in regulation¹¹ to submit a valid CPCN application. Among other things, an applicant must include a description of the project, information on the project's environmental and socioeconomic effects, and community feedback. An applicant must also secure all applicable permits for a project in addition to the CPCN itself, though those permits may be obtained after the application is submitted.¹² The filing fee for a CPCN application is \$10,000.¹³

When a CPCN application is received, PPRP has 45 days to review the application for completeness.¹⁴ If deficiencies are found, the applicant must address them before the CPCN process may proceed. PPRP reviews a project for various other permits that may be required and evaluates its potential impacts on environmental, socioeconomic, and cultural resources in the State.

Upon receipt of a CPCN application, PSC must immediately notify or require the applicant to immediately notify specified parties of the application.¹⁵ During its review process, PPRP makes independent contact with these same parties and coordinates a consolidated State agency review by soliciting input from State agencies, as appropriate. Specifically, PPRP liaises with the:

- Maryland Department of Agriculture;
- Maryland Department of Commerce;
- Maryland Department of the Environment;

⁸ See COMAR 20.79.01.04.

⁹ See COMAR 20.79.01.05.

¹⁰ See § 7-207 of the Public Utilities Article.

¹¹ See COMAR 20.79.01.06.

¹² See COMAR 20.79.01.03.

¹³ See COMAR 20.07.05.03.

¹⁴ See COMAR 20.79.01.10.

¹⁵ See § 7-207 of the Public Utilities Article.

- Maryland Department of Natural Resources;
- Maryland Department of Planning (MDP);
- Maryland Department of Transportation; and
- Maryland Energy Administration.

Public Notice and Hearings

The CPCN process provides a forum for interested parties to offer input regarding a proposed project. PSC must either notify, or require the applicant to notify (1) MDP; (2) the governing body, and if applicable the executive, of each county or municipality in which, or within one mile of which, any portion of the project is to be constructed; (3) each member of the General Assembly representing any part of a county in which, or within one mile of which, the project is to be constructed; (4) for an overhead transmission line, each landowner or adjacent landowner whose land will be used in constructing the line; and (5) all other interested persons. PSC must also forward the CPCN application to each appropriate unit of State and local government for review, evaluation, and comment and to any member of the General Assembly who requests a copy.¹⁶

PSC holds a joint public hearing with the governing body of each county or municipality where a project is proposed to be located unless the governing body declines to participate in the hearing. The hearing, and the opportunity for public comment at the hearing, is advertised on a weekly basis during the four weeks preceding the hearing date. Advertisements are published in a newspaper that is circulated in the county or municipality in question, on two types of social media, and on the PSC website. PSC must also coordinate with local governments to identify any additional advertising options that are familiar to the residents of the county or municipality.

PSC or a PULJ conducts the public hearing. The CPCN applicant may be given a limited amount of time to describe the project prior to public comments being taken. Members of the public who wish to comment are given the opportunity to speak, though a time limitation may be placed on their remarks. In addition, each interested State agency is entitled to present its initial recommendations at the hearing. Intervening parties are also generally allowed to present their initial recommendations at that time. If additional information is uncovered later or new facts arise, a State agency is allowed to modify its recommendations within 15 days after the conclusion of the hearing.

Issuance or Non-issuance of a CPCN

Following the completion of all public hearings, PSC or a PULJ holds an evidentiary hearing on a CPCN application. Only parties of record (*i.e.*, the applicant, intervenors, and statutory parties) can actively participate in the hearing, but the public may attend and observe the proceedings. Witnesses are called to testify to the economic, environmental, and community

¹⁶ See § 7-207 of the Public Utilities Article for further detail on public notice and hearing requirements. In practice, the applicant typically provides the required notification to the various stakeholders.

impacts of a proposed project or offer specific technical expertise. Witnesses are subject to cross-examination by other parties and the presiding officer.

After the evidentiary hearing, the parties generally file written briefs summarizing their positions and evidence. If the CPCN application is before a PULJ, the PULJ issues a proposed order, which is subject to appeal, generally for up to 30 days. If no appeal is filed, the PULJ's proposed order becomes PSC's final order; if an appeal is filed, PSC independently reviews the evidence and issues its own final order. Alternatively, if the CPCN application is before PSC, then PSC reviews the evidence and issues a final order.

A final decision on a CPCN application may only be taken after "due consideration" of certain factors specified by project type.¹⁷ Unless otherwise directed by PSC, a decision on a CPCN application for the construction of a generating station must be rendered within 365 days from the date a complete application is filed. For an application to modify an existing generating station, a decision must be made within 150 days from the date a complete application is filed.

Any party or person in interest that is dissatisfied with the final order may seek judicial review of the order in the county in which the applicant operates. PSC staff may not appeal the decision of PSC.¹⁸

Other Authorities

While PSC has sole authority over issuing CPCNs, there are other entities that issue permits that may be required before a project may proceed to construction. These entities include local governments, the Federal Aviation Administration, and the Maryland Aviation Administration.

In addition to any required State or federal permits, all required permits from any county or municipality in which the project will be located generally must be obtained before construction begins. Building, electrical, and mechanical permits are among the most common local permits that a project must secure. State law specifies that a county or municipality must approve or deny any applicable local permit within a reasonable time.¹⁹

Exemptions

For projects to construct or modify an overhead transmission line or qualified generator lead line that require a CPCN, State law does not provide any exemptions to bypass the CPCN process. In contrast, proposed generating station projects may be eligible for one of several exemptions from the CPCN requirement, depending on the specifics of the project. To qualify for an exemption, a proposed generating station typically must fall below a certain capacity threshold, be used for a specific purpose, consume a certain percentage of its electricity generation onsite, or

¹⁷ See § 7-207 of the Public Utilities Article.

¹⁸ See § 3-202 of the Public Utilities Article.

¹⁹ See § 7-207 of the Public Utilities Article.

some combination of those factors.²⁰ Energy storage devices that require a CPCN may also be eligible for an exemption under limited circumstances.

Excluded from the Definition of Generating Station

Projects that are exempt from the CPCN requirement by way of exclusion from the definition of “generating station” include:

- a facility used for electricity production with a capacity of up to 2 MW that is installed with equipment that prevents the flow of electricity to the electric grid during time periods when the grid is out of service;
- a combination of two or more colocated or adjacent facilities used for electricity production from solar photovoltaic systems or specified eligible customer-generators that have a maximum cumulative capacity of 14 MW, including maximum individual capacities of 2 MW (subject to satisfying other requirements); and
- a facility, or a combination of two or more facilities, used for electricity production for the purpose of (1) onsite emergency backup for critical infrastructure when service from the electric company is interrupted and (2) conducting necessary test and maintenance operations (subject to satisfying other requirements).²¹

Projects Subject to a Less Stringent Approval Process

Under § 7-207.1 of the Public Utilities Article, certain generating station projects may bypass the CPCN process and instead obtain an approval to construct from PSC. These projects include:

- a facility that is designed to provide onsite generated electricity, has a maximum capacity of 70 MW, and sells its excess electricity exclusively on the wholesale market pursuant to a specified agreement with the local electric company;
- a facility at which 10% or more of the electricity generated is consumed onsite, that has a maximum capacity of 25 MW, and that sells its excess electricity exclusively on the wholesale market pursuant to a specified agreement with the local electric company; and
- a facility that is wind-powered and land-based, has a maximum capacity of 70 MW, and is located no closer than a PSC-determined distance from the Patuxent River Naval Air Station, among other requirements.

A project seeking an approval to construct from PSC is subject to similar notice requirements that apply to the CPCN process. However, when reviewing an application for an

²⁰ See § 7-207.1 of the Public Utilities Article.

²¹ See § 7-207 of the Public Utilities Article.

approval to construct, PSC is only mandated to ensure the safety and reliability of the electric system, require the applicant to inform PSC two weeks before the first export of electricity, and to conduct its review and approval in an expeditious manner. As with a CPCN application, PSC must hold public hearings in each county or municipality where any portion of the proposed generating station is to be located, but it is only required to hold the hearings jointly with a local governing body upon the governing body's request. The hearings must be advertised for two weeks prior to the hearing date (instead of four weeks as required for a CPCN application).

An application for an approval to construct must include proof of compliance with all applicable requirements of the independent system operator and a copy of the interconnection, operation, and maintenance agreement between the proposed generating station and the local electric company. Except for the notice requirement, PSC is authorized to waive any aspect of this process if it determines the waiver to be in the public interest.

Section 7-207.2 of the Public Utilities Article contains additional requirements specific to solar projects larger than 2 MW seeking to obtain an approval to construct from PSC. For these projects, a person must file an application for an approval to construct at least six months before construction commences and pay a deposit of 1.0% of total installed costs to PSC. These funds are held in escrow. If a person demonstrates that they are fully authorized to begin construction within 18 months after applying, PSC must refund the deposit, minus reasonable administrative costs. Any person that does not begin construction within 18 months of applying loses their deposit and the funds are transferred to the Maryland Strategic Energy Investment Fund. PSC may grant extensions of this deadline based on factors that it finds compelling.

Distributed Generation Certificates of Public Convenience and Necessity

The Renewable Energy Certainty Act of 2025 (Chapters 623 and 624) establishes an alternative to the CPCN process for applicants seeking to construct and operate “a distributed solar energy generating system,” giving them a choice to either apply for a DGPCN or a CPCN. However, until PSC has adopted regulations governing the DGPCN process (which must occur by July 1, 2027), a CPCN will still be required to construct a distributed solar energy generating system.

A “distributed solar energy generating system” means a community solar energy generating system, as defined, that would be required to obtain a CPCN if the system does not obtain a DGPCN, has a capacity to produce at least 2 MW but not more than 5 MW, and is not located within a municipality. A “community solar energy generating system” is a system that, in addition to other requirements:

- has a generating capacity that does not exceed 5 MW;
- has at least two subscribers but no limit to the maximum number of subscribers;

- serves at least 40% of its energy output to “LMI subscribers” unless the system is wholly owned by the subscribers to the system; and
- credits its generated electricity, or the value of its generated electricity, to the bills of the subscribers to that system through virtual net energy metering.

An LMI subscriber is one that is low-income, moderate-income, or resides in a census tract that is an overburdened community and underserved community, as defined in law.²² For more information on DGCPNs, see the section “A Primer on DGCPNs” below.

Local Government Involvement

Local governments are significant participants in CPCN proceedings, providing input and shaping the record; however, a local government may not supersede the authority of PSC over a CPCN application. Before filing a CPCN application with PSC for a generating station, a prospective applicant must consult with any county or municipality in which a proposed project would be located and request that they provide a preliminary report on the project. That report, along with local planning and zoning analyses, becomes part of the formal record before PSC. Additionally, local governments may intervene as parties in a CPCN proceeding, allowing them to submit testimony, cross-examine witnesses, and otherwise advocate for or against a proposed project. Public hearings, which must be held in each county and municipality where a project would be located, provide another forum for local governments to present their views to a PULJ or, if applicable, PSC.

Counties and municipalities are largely confined to an advisory role during the CPCN process. While PSC must consider local comprehensive plans and zoning ordinances in its review of a CPCN application,²³ State law preempts local governments from exercising independent zoning control over projects subject to the CPCN process.²⁴ A county or municipality is authorized to issue or deny any local permits that apply to a proposed project, but it may not condition the approval of a local permit required under a CPCN on receipt of a conditional use approval, a special exception approval, or a floating zone approval.²⁵

The Renewable Energy Certainty Act goes a step further, limiting local zoning authority over most solar projects larger than 1 MW that receive PSC approval outside the CPCN process, whether through an approval to construct or a DGCPN. Under the Act, local jurisdictions are generally barred from adopting zoning laws or other laws or regulations that (1) prohibit the construction or operation of such solar energy generating stations or (2) deny site development plans for these projects if they meet all applicable requirements. Furthermore, local jurisdictions

²² See § 7-306.2 of the Public Utilities Article.

²³ See § 7-207 of the Public Utilities Article.

²⁴ The Supreme Court of Maryland, in *Board of County Commissioners of Washington County. v. Perennial Solar, LLC*, 464 Md. 610 (2019), held that State law impliedly preempts local zoning regulation of solar energy generating systems that require a CPCN.

²⁵ See § 7-207 of the Public Utilities Article.

must expedite the review and approval of site development plans for the solar projects if the plans have met all applicable State siting and design requirements.

A Primer on DGCPCNs

As discussed above, the Renewable Energy Certainty Act created the DGCPCN – a new, streamlined approval mechanism for constructing and operating community solar projects that have a generating capacity of 2 MW to 5 MW and meet other specified requirements. PSC is authorized to issue a DGCPCN in lieu of a CPCN, and a DGCPCN has the same force and effect as a CPCN.

As of December 2025, applications for DGCPCNs are not yet open. The Act specifies that, by July 1, 2026, PPRP must develop proposed standard siting and design requirements and standard licensing conditions for the issuance of DGCPCNs and submit them to PSC. By July 1, 2027, PSC must adopt regulations to (1) implement standard siting and design requirements and standard licensing conditions for DGCPCNs; (2) specify the application form and any application fee; (3) specify its procedure for processing a DGCPCN application; and (4) establish the time period within which PPRP must make its determination on a DGCPCN application. Until these regulations have taken effect, no DGCPCNs may be issued. For now, a person seeking to construct a community solar project must continue to apply for a CPCN. However, once PSC adopts the foregoing regulations, a person will have the option of applying for a CPCN or a DGCPCN.

As with the CPCN process, PSC must provide an opportunity for public comment and hold a public hearing on a DGCPCN application in each county where any portion of the project is proposed to be located. Also like the CPCN process, PPRP is involved with reviewing the applications and providing input to PSC. However, in contrast to the comprehensive, multi-agency review PPRP must conduct for CPCN applications, PPRP's role in the DGCPCN process is more limited, focusing predominantly on whether a project meets the standard siting and design requirements adopted by PSC.

Exhibit 2 below summarizes a few of the key differences between the review process for a DGCPCN application and a CPCN application.

Exhibit 2
Review Process for DGPCPN and CPCN Applications

<u>DGCPN Application</u>	<u>CPCN Application</u>
A copy of the application must be provided to affected counties at least 30 days before submitting the application to PSC.	For a generating station, a copy of specified materials must be provided to affected counties or municipalities at least 90 days before submitting the application to PSC. For a qualifying generating station, the applicant must hold at least one public meeting in the affected county or municipality at least 60 days before filing an application.
Standard siting and design requirements and standard licensing conditions will apply once regulations have been adopted by PSC (by July 1, 2027).	No application form exists; generally there are no standard siting, design, and environmental parameters to reference or follow.*
PPRP's review is limited to determining whether the proposed project satisfies the standard siting and design requirements; it must notify PSC of its determination in writing.	PPRP's review is comprehensive, examining a project's potential environmental, socioeconomic, climate, and noise impacts; its assessment for each project is documented in a Project Assessment Report (typically 50 pages or more).
PSC must schedule a hearing to consider a DGCPN application within 60 days after PPRP has made its determination. At the hearing, PSC must determine whether the project satisfies the standard siting and design requirements. PSC must issue a DGCPN if the project satisfies those requirements.	Each CPCN application has a case docket. A wide range of parties with a vested interest in the case may be granted intervenor status and extensive written and oral testimony is often required. The timing of a case's procedural schedule and the evidentiary hearing is flexible; there is no fixed timeframe within which a PULJ must issue a proposed order after the evidentiary hearing.

CPCN: Certificate of public convenience and necessity

DGCPN: Distributed generation certificate of public convenience and necessity

PPRP: Power Plant Research Program

PSC: Public Service Commission

PULJ: Public utility law judge

* Note that § 7-218 of the Public Utilities Article specifies siting, design, and environmental requirements for the construction of specified solar energy generating stations.

Source: Department of Legislative Services

Major Legislative Changes

Until 2001, a CPCN was required for the construction of any generating station regardless of size or purpose. In the ensuing years, legislation has been enacted exempting the construction of certain generating stations from the CPCN process. Several other significant legislative changes pertaining to the CPCN process have also gone into effect – notably, how the term “generating station” is defined, the criteria that PSC must use in evaluating a CPCN application, and more robust notice requirements. **Exhibit 3** summarizes the most significant changes by chapter law and year.

Exhibit 3 History of Major Legislative Changes to the CPCN Process Current Through 2025 Legislative Session

<u>Year</u>	<u>Chapter(s)</u>	<u>Summary</u>
2001	Chapter 655	Established exemption from obtaining a CPCN for construction of a generating station that (1) produces on-site generated electricity; (2) has a maximum generating capacity of 70 MW; and (3) exclusively sells any exported electricity on the wholesale market pursuant to an interconnection agreement with the local electric company.
2005	Chapter 156	Established exemption from obtaining a CPCN for construction of a generating station that (1) has a maximum generating capacity of 25 MW; (2) exclusively sells any exported electricity on the wholesale market pursuant to an interconnection agreement with the local electric company; and (3) consumes at least 10% of the electricity generated on-site.
2007	Chapter 163	Established exemption from obtaining a CPCN for construction of a land-based wind energy generating station that (1) has a maximum generating capacity of 70 MW and (2) exclusively sells any exported electricity on the wholesale market pursuant to an interconnection agreement with the local electric company.

<u>Year</u>	<u>Chapter(s)</u>	<u>Summary</u>
2011	Chapters 83 and 84	<p>Defined “qualified generator lead line” as a distinct type of overhead transmission line and established requirement that a <i>person</i> must obtain a CPCN before constructing a qualified generator lead line (as opposed to the requirement at the time that an <i>electric company</i> obtain a CPCN before constructing an overhead transmission line).</p> <p>Prohibited a person from applying for a CPCN to construct a qualified generator lead line unless the person offered the electric company that owns the portion of the grid to which the qualified generator lead line would interconnect an opportunity to construct the line at least 90 days prior to applying for the CPCN.</p>
2012	Chapters 643 and 644	<p>Narrowed the CPCN exemption for the construction of a land-based wind energy generating station to facilities beyond a specified distance from the Patuxent River Naval Air Station (as set by PSC regulations and not to exceed 46 miles).</p> <p>Authorized PSC, for good cause shown, to waive the CPCN requirement for construction related to an existing overhead transmission line designed to carry a voltage exceeding 69,000 volts. Required PSC to waive the CPCN requirement under specified circumstances of limited construction on an existing overhead transmission line.</p>
2013	Chapter 3	<p>Required any person constructing a qualified submerged renewable energy line to obtain a CPCN.</p> <p>A “qualified submerged renewable energy line” was defined as a line (1) carrying electricity supply and connecting a qualified offshore wind project to the transmission system and (2) in which the portions of the line crossing any submerged lands or any part of a beach erosion control district are buried or submerged.</p>

<u>Year</u>	<u>Chapter(s)</u>	<u>Summary</u>
2015	Chapter 174	Required a <i>person</i> (rather than just an <i>electric company</i>) to obtain a CPCN for the construction of an overhead transmission line designed to carry a voltage exceeding 69,000 volts.
2017	Chapter 392	<p>Required PSC, rather than the Maryland Department of Planning, to provide a copy of a CPCN application to each appropriate unit of State and local government and required PSC to provide a copy of the application to specified officials.</p> <p>Required PSC to take final action on a CPCN application for a generating station only after due consideration of (1) the consistency of the application with the comprehensive plan and zoning of each county or municipality where any portion of the generating station is proposed to be located and (2) the efforts to resolve any issues presented by an affected county or municipality.</p>
2021	Chapters 614 and 615	Required PSC, before taking final action on any CPCN application, to consider the effect of climate change on the proposed project. For a generating station specifically, required PSC to consider the impact of the proposed generating station on greenhouse gas emissions and its consistency with the State's greenhouse gas emissions reduction goals.
2021 Special Session	Chapters 14 and 26	<p>Required PSC to immediately notify DNR and MDE on the receipt of a CPCN application for <i>any</i> generating station, rather than a generating station that would involve the use or diversion of the waters of the State or private wetlands.</p> <p>Mandated DNR to review and make recommendations on a CPCN application within six months of the application's completion rather than within 60 days after the application is filed.</p> <p>Authorized PSC to waive the six-month deadline for good cause or on agreement of the parties to the CPCN proceeding.</p>

<u>Year</u>	<u>Chapter(s)</u>	<u>Summary</u>
2022	Chapter 581	<p>Increased the maximum generating capacity of a community solar energy generating system from 2 MW to 5 MW.</p> <p>Specified that a community solar energy generating system with a generating capacity of 2 MW or less is not a generating station and therefore a CPCN is not required for its construction. As a result, required a community solar energy generating system that exceeds 2 MW to obtain a CPCN for its construction.</p>
2023	<p>Chapter 460</p> <p>Chapter 515</p>	<p>Specified that a “generating station” does not include a generating unit or facility that is used to produce electricity, has a capacity of up to 2 MW, and is installed with equipment that prevents the flow of electricity to the electric grid when the grid is out of service (generally aligns with the existing definition of “generating station” in regulation).</p> <p>Also specified that a “generating station” does not include a combination of two or more generating units or facilities, located on the same property or adjacent properties, that (1) are used to produce electricity from a solar photovoltaic system or an eligible customer-generator that is subject to the State’s net energy metering law; (2) have individual capacities of less than 2 MW and a cumulative capacity of more than 2 MW but not more than 14 MW; (3) are separately metered by the electric company; and (4) do not export electricity for sale on the wholesale market under an agreement with PJM.</p> <p>Clarified that a county or municipality has the authority to approve or deny any local permit required under a CPCN and mandated a county or municipality to approve or deny such a permit within a reasonable time and in accordance with local laws, to the extent that local laws are not preempted by State law.</p> <p>Prohibited a county or municipality from conditioning the approval of a local permit required under a CPCN on receipt of a conditional use approval, a special exception approval, or a floating zone approval for any aspect of a proposed project.</p>

<u>Year</u>	<u>Chapter(s)</u>	<u>Summary</u>
2024	Chapter 411	Authorized generating units or facilities that meet specified requirements to be constructed at critical infrastructure facilities without obtaining a CPCN or approval to construct from PSC under the CPCN exemption process. The principal requirement that must be met to bypass the CPCN process is that a proposed generating unit or facility must use the electricity it produces for the purpose of (1) onsite emergency backup and (2) test and maintenance operations to ensure its functionality in the event of a service interruption.
2025	Chapters 623 and 624 Chapters 625 and 626	<p>Created the DGPCPN, a certificate to be issued by PSC that authorizes the construction and operation of community solar energy generating systems with a generating capacity of 2 MW to 5 MW, among other requirements. DGPCPN applications will undergo an expedited review process but will carry the same force and effect as a CPCN.</p> <p>For most solar projects larger than 1 MW, altered the factors that PSC must consider before taking final action on a CPCN to include various siting requirements.</p> <p>Authorized PSC, through June 30, 2030, to approve CPCNs for up to 10 dispatchable energy generation or large capacity resource projects (or more than 10 under specified circumstances) under an expedited CPCN review process. For a qualifying project, PSC must expedite all proceedings for CPCN review and, except in limited circumstances, take final action within 295 days after PPRP determines the application is complete. PSC may prioritize the review of qualifying projects over other CPCN applications and, in doing so, may extend standard CPCN review timelines.</p>

CPCN: Certificate of public convenience and necessity
 DGPCPN: Distributed generation certificate of
 public convenience and necessity
 DNR: Department of Natural Resources

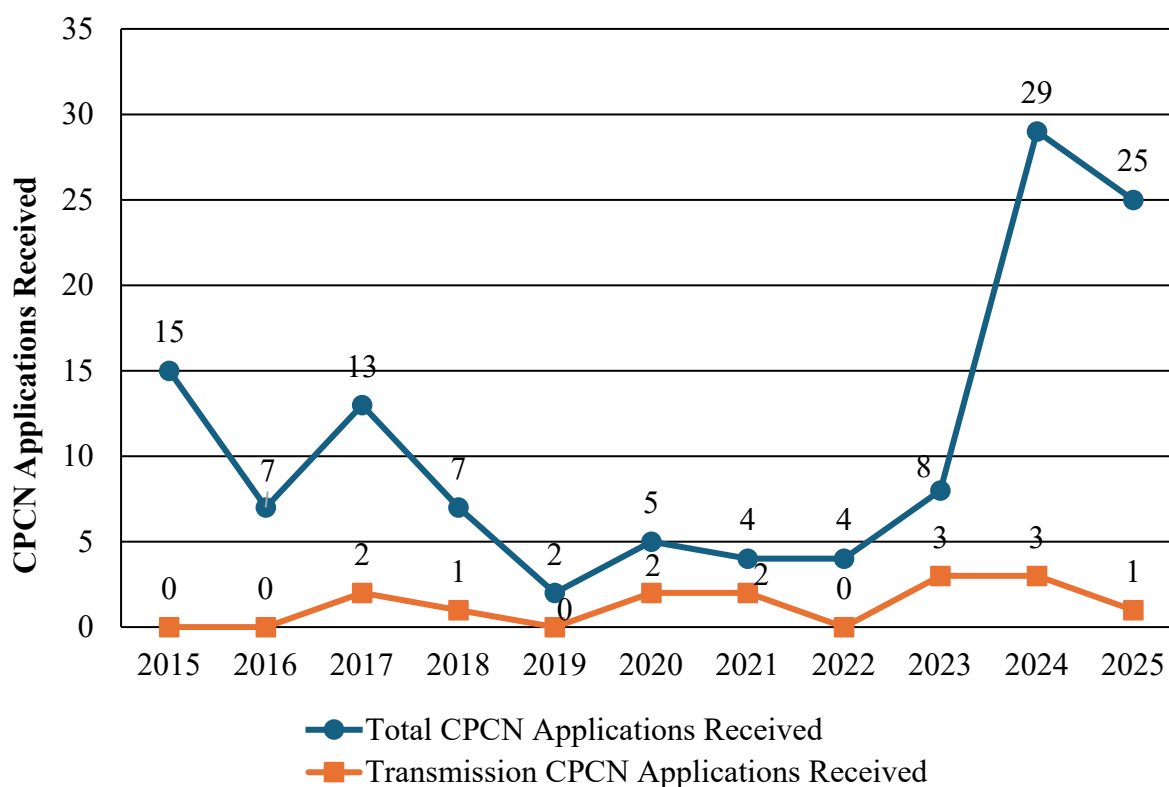
MDE: Maryland Department of the Environment
 MW: Megawatt
 PPRP: Power Plant Research Program
 PSC: Public Service Commission

Source: Department of Legislative Services

Performance of the CPCN Process

Between 2015 and 2025, PSC received a total of 119 CPCN applications – 105 for generating stations and 14 for transmission lines. Application volume has risen sharply in the last two years, with PSC receiving 29 applications in 2024 and another 25 applications through the first half of 2025. By contrast, the annual average from 2018 to 2023 was just 5 applications. **Exhibit 4** depicts the substantial growth in CPCN application volume.

Exhibit 4
CPCN Applications Received by PSC
Calendar 2015-2025



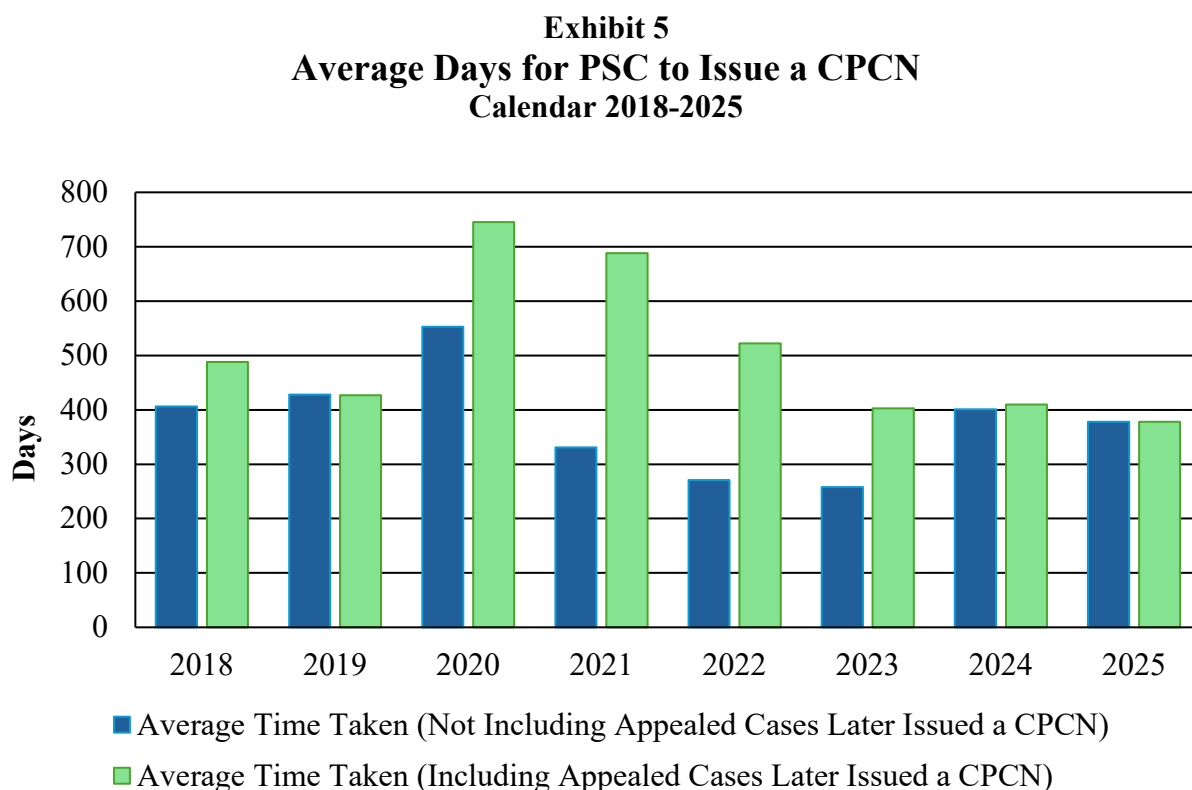
PSC: Public Service Commission

Source: Public Service Commission

This surge has been driven almost entirely by an increase in solar CPCN cases, and PPRP expects that this trend will continue to accelerate: it projects a total of 55 solar CPCN applications to be filed in 2025 and 70 in 2026. Although the statutory time limit for its review is six months,

PPRP advises that it has been routinely requesting extensions from PULJs. As a result, PPRP indicates that its reviews are now taking several additional months to complete.

Data provided by PSC indicates that the average amount of time it took to issue a CPCN was approximately 400 days in 2024, and slightly lower as of fall 2025. These processing times are roughly analogous to what PSC reported for 2018 and 2019, despite the recent spike in application volume. **Exhibit 5** shows the average time that it has taken PSC to issue a CPCN over the last several years.



CPCN: Certificate of public convenience and necessity

PSC: Public Service Commission

Source: Public Service Commission

Many prospective CPCN applicants are expected to shift toward applying for DGCPCNs when they become available, due to their streamlined nature. This transition should reduce the workload of both PPRP and PSC, as the DGCPCN review process is intended to be more efficient and less resource-intensive than the traditional CPCN process. However, PSC is not expected to begin accepting DGCPCN applications until 2027, given that regulations governing siting and design requirements are not required to be adopted until July 1, 2027.