HOUSE BILL 1315

C5, M5 4lr2436

By: Delegates Chisholm, Adams, Anderton, Arikan, Buckel, Ciliberti, Fisher, Hornberger, Hutchinson, Kipke, Mangione, McComas, Miller, M. Morgan, Munoz, Nawrocki, Rose, Schmidt, Szeliga, Tomlinson, Valentine, and Wivell

Introduced and read first time: February 9,2024

Assigned to: Economic Matters

A BILL ENTITLED

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1	AN ACT concerning
2	Public Service Commission - Electricity Generation Facilities - Premature
3	Retirement
4	(Keep the Lights On Act)
5	FOR the purpose of requiring the Public Service Commission to consider certain factors
$\frac{6}{7}$	before authorizing or approving any agreement related to the premature retirement of an electricity generation facility; establishing a rebuttable presumption that an
8	electricity generation facility should not be prematurely retired; prohibiting the
9	Commission from authorizing or approving an agreement related to the premature
10	retirement of an electricity generation facility under certain circumstances; and
11	generally relating to the premature retirement of an electricity generation facility.
12	BY adding to
13	Article – Public Utilities
14	Section 7–218
15	Annotated Code of Maryland
16	(2020 Replacement Volume and 2023 Supplement)
17	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18	That the Laws of Maryland read as follows:
19	Article - Public Utilities
20	7–218.
21 22	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS



- 1 (2) "DISPATCHABLE" MEANS A SOURCE OF ELECTRICITY THAT:
- 2 (I) IS AVAILABLE FOR USE ON DEMAND; AND
- 3 (II) 1. CAN BE DISPATCHED ON REQUEST OF A POWER GRID
- 4 OPERATOR; OR
- 5 2. CAN HAVE ITS POWER OUTPUT ADJUSTED,
- 6 ACCORDING TO MARKET NEEDS, OUTSIDE OF ROUTINE MAINTENANCE OR REPAIRS.
- 7 (3) "ELECTRICITY GENERATION FACILITY" MEANS A FACILITY THAT
- 8 USES WATER, COAL, NATURAL GAS, OR NUCLEAR ENERGY TO GENERATE RELIABLE
- 9 OR DISPATCHABLE ELECTRICITY TO BE PROVIDED TO CUSTOMERS.
- 10 (4) (I) "PREMATURE RETIREMENT" AND "RETIRED
- 11 PREMATURELY" MEAN THE CLOSURE OF, OR COMPLETE AND PERMANENT
- 12 CESSATION OF OPERATIONS AT, AN ELECTRICITY GENERATION FACILITY BEFORE
- 13 THE PLANNED OPERATION LIFE OF THE FACILITY HAS LAPSED.
- 14 (II) "PREMATURE RETIREMENT" AND "RETIRED
- 15 PREMATURELY" DO NOT INCLUDE THE CLOSURE OF OR CESSATION OF OPERATIONS
- 16 AT AN ELECTRICITY GENERATION FACILITY THAT IS MANDATED BY FEDERAL LAW.
- 17 (5) "RELIABLE" MEANS A SOURCE OF ELECTRICITY THAT IS NOT
- 18 SUBJECT TO INTERMITTENT UNAVAILABILITY, OUTSIDE OF ROUTINE MAINTENANCE
- 19 OR REPAIRS.
- 20 (B) BEFORE AUTHORIZING OR APPROVING ANY AGREEMENT RELATED TO
- 21 THE PREMATURE RETIREMENT OF AN ELECTRICITY GENERATION FACILITY THAT
- 22 HAS BEEN PROPOSED IN A UTILITY RATE CASE, AN INTEGRATED RESOURCE PLAN,
- 23 OR ANY OTHER SUBMISSION TO THE COMMISSION, THE COMMISSION SHALL
- 24 CONSIDER:
- 25 (1) THE EFFECT OF THE PREMATURE RETIREMENT ON AVAILABLE
- 26 RELIABLE OR DISPATCHABLE ELECTRICITY TO CUSTOMERS; AND
- 27 (2) THE IMPACT THAT ANY SHORTAGE OF AVAILABLE RELIABLE OR
- 28 DISPATCHABLE ELECTRICITY NATIONWIDE WOULD HAVE ON CUSTOMERS IF THE
- 29 ELECTRICITY GENERATION FACILITY IS RETIRED PREMATURELY.
- 30 (C) (1) THERE IS A REBUTTABLE PRESUMPTION THAT AN ELECTRICITY
- 31 GENERATION FACILITY SHOULD NOT BE RETIRED PREMATURELY.

- 1 (2) THE COMMISSION MAY NOT AUTHORIZE OR APPROVE AN 2 AGREEMENT RELATED TO THE PREMATURE RETIREMENT OF AN ELECTRICITY 3 GENERATION FACILITY UNLESS IT HAS BEEN ESTABLISHED THAT:
- 4 (I) CUSTOMERS WILL EXPERIENCE COST SAVINGS AS A RESULT 5 OF THE PREMATURE RETIREMENT;
- 6 (II) THE PREMATURE RETIREMENT WILL NOT RESULT IN AN 7 INSUFFICIENT AMOUNT OF RELIABLE OR DISPATCHABLE ENERGY TO SERVE 8 CUSTOMERS;
- 9 (III) THE PREMATURE RETIREMENT WILL NOT ADVERSELY 10 IMPACT THE AVAILABILITY OR RELIABILITY OF ELECTRIC SERVICE TO CUSTOMERS 11 SERVED BY THE ELECTRICITY GENERATION FACILITY; AND
- 12 (IV) THE PROPOSED REPLACEMENT GENERATION FACILITY
 13 WILL NOT BE MORE DETRIMENTAL TO THE ENVIRONMENT THAN THE EXISTING
 14 ELECTRICITY GENERATION FACILITY.
- 15 (3) IN CONSIDERING THE DETRIMENT TO THE ENVIRONMENT UNDER
 16 PARAGRAPH (2) OF THIS SUBSECTION, THE COMMISSION SHALL CONSIDER
 17 POTENTIAL DISRUPTION OF LARGE AREAS OF CRITICAL HABITAT, NEGATIVE
 18 IMPACTS ON THREATENED OR ENDANGERED WILDLIFE, STRESSES TO LOCAL
 19 WATERSHEDS, DISBURSEMENT OF TOXIC MATERIALS INTO WILDERNESS AREAS, AND
 20 OTHER ECOLOGICAL HARMS OF A SIMILAR NATURE.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.