




July 12, 2023

FISCAL AND POLICY NOTE

TO: Jennifer A. Jenkins
Council Administrator

William M. Hunt
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THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Alex Hirtle 
Legislative Budget and Policy Analyst

Policy Analysis and Fiscal Impact Statement
CR-027-2023 Task Force to Study Electric Public Utility Location Practices and Procedures.

CR-027-2023 (*proposed by Council Members Burroughs, Ivey, Hawkins, and Fisher*)

Assigned to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee

A RESOLUTION CONCERNING CITIZEN ADVISORY BOARD for the purpose of establishing a Task Force to Study Electric Public Utility Location Practices and Procedures.

Fiscal Summary

Direct Impact:

Expenditures: Nominal increase in expenditures likely.

Revenues: None.

Indirect Impact:

Potentially favorable.

Legislative Summary:

CR-027-2023 was introduced on May 2nd, 2023, and was referred to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee. The Resolution is for the purpose of establishing a task force to study Electric Public Utility Location Practices and Procedures. The Task Force is also charged with making policy recommendations related to what is examined.

The Resolution outlines the composition of the Task Force, which will have eleven (11) members, appointed by the Chair of the Council. The composition will include two members of the County Council who will serve as Chair and Vice-Chair; a representative from the Office of the County Executive; a representative from the Office of Law; a representative from the County Health Department; a representative from the Department of the Environment; a representative from the Maryland Public Service Commission; two representatives from registered civic associations in the County; and two representatives from the business community. The Resolution states that the Task Force will present its report and recommendations to the Council before June 1, 2024.

Current Law/Background:

Section 506 of the Charter for Prince George’s County provides that the County Council may appoint, for designated periods, one or more temporary advisory boards of citizens of the County who shall assist in the consideration of County policies and programs. It is important to note, however, that *regulation* of public utilities in the State of Maryland is the province of the Maryland Public Service Commission (PSC).¹

The Resolution follows two earlier resolutions, CR-087-2017 and CR-045-2018, which established and extended the time of a task force to examine electric public utility practices and procedures for infrastructure such as substations, transfer stations, and solar and wind farms. No final report came out of this task force, though, in part due to lack of participation from key agencies, such as the Department of Permitting, Inspections, and Enforcement (DPIE) and Department of Health (DOH).²

Resource Personnel:

- Amanda Denison, Chief Legislative Officer

¹ See: [Maryland Manual Online – Public Service Commission](#) and the [Maryland Public Service Commission website](#).

² Minutes and Recommendations from Task Force to Study Electric Public Utility Location Practices and Procedures (CR-087-2017 & CR-045-2018)

Discussion/Policy Analysis:

There have been increasing concerns over the locations of certain public utility infrastructure within the County. This was underscored in discussions with the PSC and PEPCO during the 2018 Task Force's three meetings, which was apparently prompted by an alleged proposed electrical substation in a residential community to be located along Fort Foote Road in Oxon Hill.³ The minutes from these meetings includes communication about electrical substations in communities throughout the County, and its socio-economic impact on the nearby residents. The impact of solar and wind farms near residential communities was also discussed, as well as the construction of transmission lines.

Although the PSC stated that it invites communities and municipalities to its hearings, and that any power source over 69 kilovolts requires full review for a Certificate of Public Convenience and Necessity (CPCN, which must be granted to companies prior to constructing utility infrastructure), the recommendations the Task Force made clearly indicate the public notice process needs to be improved. Some of the Task Force recommendations included:

- Codifying in law the requirements of public utility companies to provide sufficient notice to impacted communities when substations are being proposed for their area
- Revisit the zoning ordinance and determine the regulation needed to protect the community from any potential adverse impacts from locating a public utility near communities
- Collaborate with the Maryland General Assembly to strengthen legislation governing the PSC to include a comprehensive review and community input for all substation projects that are in close proximity of neighborhoods, schools, and public spaces

Finally, the Task Force minutes and recommendations indicated concerns regarding a lack of support from the (former) county executive's office and the related agencies in appointing and attending the Task Force meetings, which largely prohibited the creation of a report and presentation to the Council. It is highly recommended that this Council and Task Force engage the County Executive and the Administration staff to fully participate in this important issue.

Fiscal Impact:

- *Direct Impact*

Enactment of CR-027-2023 will have a nominal adverse fiscal impact on the County through staff resources and minor expenses to facilitate the Task Force.

³ Minutes and Recommendations from Task Force to Study Electric Public Utility Location Practices and Procedures (CR-087-2017 & CR-045-2018)

- *Indirect Impact*

Enactment of CR-027-2023 could have a favorable indirect impact by increasing the knowledge and awareness of the County and public on the process undertaken in proposing infrastructure locations by public utilities. Increased knowledge and awareness of this matter may lead to a more open and transparent process, facilitating more public input, and possibly leading to the utilities giving greater care and thought in their location proposals. This could improve the quality of life for some communities given the negative externalities of having certain public utility infrastructure located near residential neighborhoods.

- *Appropriated in the Current Fiscal Year Budget*

No.

Effective Date of Proposed Legislation:

This Resolution goes into effect on the date of its adoption.

If you require additional information, or have questions about this fiscal impact statement, please reach me via phone or email.