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### Energy companies oppose bill aimed at transmission lines

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By [Meg Tully](#)

ANNAPOLIS -- Several energy companies have come out against a bill that would set new requirements for companies building high-voltage transmission lines such as one proposed to run through southern Frederick County.

In addition to Allegheny Energy Inc., which is proposing the Frederick County line, Constellation Energy, Pepco Holdings Inc. and the Southern Maryland Electric Cooperative have written to a House of Delegates committee in opposition.

The legislation, sponsored by Delegate Sue Hecht, would require that a company applying to the state to build a transmission line be an energy company with liability coverage, rather than a limited liability corporation.

The bill is awaiting the approval of the House Economic Matters Committee. Should it gain the committee's support, there is enough time before the legislature adjourns Monday for it to be passed by both chambers, Hecht said.

In Frederick County, the proposed Potomac-Appalachian Transmission Highline is a joint venture of American Electric Power and Allegheny Energy to build a new high-voltage transmission line that would run through West Virginia, Virginia and Maryland.

The project was turned down last year in Maryland when the utility company filed its application as PATH Allegheny.

In Maryland, only Potomac Edison, an established electric company, can file for such a project. This time, the utility company filed as Potomac Edison, and said that entity would own only 5 percent of the project, but would be responsible for construction, maintenance and operation of PATH.

The Maryland Public Service Commission is considering whether that arrangement follows the law.

If the application is accepted as is, members of the Sugarloaf Conservancy, a local group in favor of the bill, think there could be ramifications in the community.

The bill will require adequate liability insurance for transmission lines carrying more than 69,000 volts. It would also better define an electric company in the law.

In testimony to the committee, Allegheny Energy said the legislation attempts to circumvent the PSC's process.

"Allegheny Energy believes that (the bill) is an unnecessary intrusion into an active (PSC certificate of public convenience and necessity) application."

The Southern Maryland Electric Cooperative also said the bill was an intrusion on the application, and called the ownership rules complicated.

Constellation Energy said the bill could be subject to legal challenge based on the interstate commerce clause of the Constitution.

Constellation also raised concerns that the legislation could stop future projects.

"We are concerned that the ambiguity related to insurance and damages to the public could be a deterrent to new investment in transmission in the state," Constellation testified.

Hecht said the committee should approve the bill, despite those objections. She said it is not aimed at stopping PATH.

"(Energy companies are) trying to make it sound like we're trying to stop it, but it just adds the consumer

protection and liability coverage," Hecht said.

Sugarloaf president Doug Kaplan said this issue is separate from the question of whether a line is needed.

He thinks an established company with accountability will be better prepared in the case of fire or major disasters.

"We just wanted to protect the citizens if an accident occurred," he said.

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