## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL No. 2480 Session of 2008

INTRODUCED BY DeWEESE, SOLOBAY, McCALL, MUNDY, BENNINGTON, DALEY, DePASQUALE, FABRIZIO, FAIRCHILD, HORNAMAN, LEVDANSKY, MAHER, McILVAINE SMITH, MUSTIO, MYERS, SAYLOR AND WAGNER, MAY 2, 2008

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, MAY 2, 2008

#### AN ACT

- Providing for the Mid-Atlantic Area National Corridor Compact for the purpose of asserting jurisdiction over the location and construction of cross-borders electric energy transmission facilities and transmission corridors; and providing for the form of the compact and for its implementation and expiration.
- 7 The General Assembly of the Commonwealth of Pennsylvania
- 8 hereby enacts as follows:
- 9 Section 1. Short title.
- 10 This act shall be known and may be cited as the Mid-Atlantic

11 Area National Corridor Compact Act.

12 Section 2. Execution of compact.

13 The Governor of Pennsylvania, on behalf of this Commonwealth,

14 is hereby authorized to and shall execute the Mid-Atlantic Area

15 National Corridor Compact, hereinafter referred to as the

16 "compact," with two or more of the party states. The General

17 Assembly hereby signifies in advance its approval and

18 ratification of the compact and such compact is hereby adopted

and entered into with all states joining therein. The compact 1 shall be in substantially the following form: 2 3 Mid-Atlantic Area National Corridor Compact 4 Article I 5 STATEMENT OF PURPOSE, LEGISLATIVE FINDINGS AND DECLARATIONS 6 7 Section 1.1. Purpose of compact. 8 The purpose of this compact is to promote regional cooperation in the location, approval and construction of cross-9 borders electric energy transmission facilities in the Mid-10 11 Atlantic region of the United States by the development of a regional transmission line siting council to facilitate the 12 13 siting of cross-borders electric energy transmission facilities 14 within the compact states and to perform the interstate electric 15 energy transmission siting responsibilities of such states. 16 Section 1.2. Findings and declaration. 17 The legislatures of the party states hereby find and declare 18 as follows: 19 The authority to review and approve applications to (1)20 locate and construct electric energy transmission facilities 21 is conveyed by state law or regulation to public utility 22 commissions or similarly situated agencies of other states. 23 In 2005, the Congress passed and the President (2) 24 signed the Energy Policy Act of 2005 (Public Law 109-58, 11 Stat. 594). 25 26 (3) Title XII of the Energy Policy Act of 2005 enacted the "Electricity Modernization Act of 2005" and directs the 27 28 Secretary of the United States Department of Energy, in consultation with affected states, to conduct a study, 29 30 triennially, of electric transmission congestion nationwide; 20080H2480B3671 - 2 -

and, after considering alternatives and recommendations from interested parties, to issue a report based on the congestion study that may designate any geographic area experiencing electric transmission capacity constraints or congestion that adversely affects consumers as a "national interest electric transmission corridor."

7 (4) The Federal Energy Regulatory Commission shall have
8 the authority to issue one or more permits for the
9 construction or modification of electric transmission
10 facilities in a national interest electric transmission
11 corridor designated by the United States Secretary of Energy,
12 if certain conditions or circumstances exist.

13 (5) A person holding a permit issued by the Federal 14 Energy Regulatory Commission for the construction or 15 modification of electric energy transmission facilities on 16 public or private property situated within a national 17 interest electric transmission corridor would have the 18 authority to exercise federal eminent domain authority.

19 (6) Although the authority conveyed to the United States 20 Department of Energy and the Federal Energy Regulatory 21 Commission under the Energy Policy Act of 2005 may interfere 22 with the traditional and statutory authority of public 23 utility commissions, and similarly situated agencies of other 24 states, to review and approve applications for the location 25 and construction of cross-borders electric energy transmission lines and related facilities in this 26 27 Commonwealth and such other states, the Congress gave its 28 consent for three or more contiguous states to enter into an 29 interstate compact for the purpose of establishing "regional 30 transmission siting agencies" to (i) facilitate siting of - 3 -20080H2480B3671

future electric transmission facilities within compact
 states; and (ii) carry out the electric energy transmission
 siting responsibilities of those states.

4 (7) A "regional transmission siting agency" established
5 through a compact between three or more contiguous states
6 would have the authority to review, certify and permit the
7 siting of cross-borders electric energy transmission
8 facilities, including such facilities proposed to be located
9 and constructed in a national interest electric transmission
10 corridor, and would provide a "one-stop" licensing process.

11 (8) This compact is entered to enable the party states 12 as signatories to act together to achieve uniformity of 13 regulations to govern the location and construction of cross-14 borders electric energy transmission facilities in the Mid-15 Atlantic region and, thereby, facilitate the location and 16 construction of such facilities.

(9) The General Assembly of the Commonwealth of Pennsylvania declares and the Legislature of each party state affirms that the compact as herein provided is in the public interest, and that the development of a regional transmission siting council shall be deemed to be an exercise of the police power of the party states for the protection of public safety, health and welfare of the citizens thereof.

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#### Article II

## DEFINITIONS

26 Section 2.1. Definitions.

For the purpose of this compact and of any supplemental or concurring legislation enacted pursuant hereto, the following words and phrases shall have the meanings given to them in this section, except as may be otherwise required by the context: -4 - "Affected Federal agency." The United States Department of
 Energy, the Federal Energy Regulatory Commission, and the United
 States Environmental Protection Agency and any other agency of
 the United States Government affected by section 1221 of the
 Energy Policy Act of 2005 (Public Law 109-58, 11 Stat. 594).

<sup>6</sup> "Associated facilities." Facilities essential to the
<sup>7</sup> transport of electrical power over high-voltage transmission
<sup>8</sup> lines, including, but not limited to, insulators, towers,
<sup>9</sup> substations and terminals.

10 "Compact." The Mid-Atlantic Area National Corridor Compact 11 established pursuant to this act.

12 "Council." The Mid-Atlantic Area States Council as13 established in this compact.

14 "Cross-borders electric energy transmission facility." A 15 proposed interstate high-voltage transmission line and any 16 associated facilities.

17 "DOE." The United States Department of Energy.

18 "Eligible state." Any state contiguous to a party state that 19 elects to become a signatory to this compact.

20 "FERC." The Federal Energy Regulatory Commission.

21 "Federal acts." Any applicable requirement of:

(1) The National Forest Management Act of 1976 (Public
Law 94-588, 16 U.S.C. § 472a et seq.).

24 (2) The Endangered Species Act of 1973 (Public Law 9325 205, 16 U.S.C. § 1531 et seq.).

26 (3) The Federal Water Pollution Control Act (62 Stat.
27 1155, 33 U.S.C. § 1251 et seq.).

(4) The National Environmental Policy Act of 1969
(Public Law 91-190, 42 U.S.C. § 4321 et seq.).

 30
 (5) The Federal Land Policy and Management Act of 1976

 20080H2480B3671
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1 (Public Law 94-579, 43 U.S.C. § 1701 et seq.).

2 "High-voltage transmission line." A conductor of electric 3 energy and associated facilities designed for or capable of 4 generating at nominal voltage of 100 kilovolts or more either 5 immediately or without significant modification or which would 6 be under the operational control of a regional transmission 7 organization.

8 "Indian tribe." Any Indian or Alaska Native tribe, band, 9 nation, pueblo, village or community that the Secretary of the 10 United States Department of the Interior acknowledges to exist 11 as an Indian tribe.

I2 "Interested party." The term shall include the governmental bodies of any political subdivision of a party state, state agencies of a party state, Indian tribes domiciled within the party states and persons residing or owning property in each such party state through which a transmission corridor or electric energy transmission facility is proposed.

18 "Mid-Atlantic Area National Corridor." The District of 19 Columbia and all or parts of the states of Delaware, Maryland, 20 New Jersey, New York, Ohio, Pennsylvania, Virginia and West 21 Virginia designated as a national interest electric transmission 22 corridor by the Secretary of the United States Department of 23 Energy.

24 "National Interest Electric Transmission Corridor" or
25 "NIETC." Any geographic area of the United States where
26 transmission congestion or constraints adversely affect
27 consumers as designated at the discretion of the Secretary of
28 the United States Department of Energy.

29 "Party state" or "compact state." Any states situated within 30 the mid-Atlantic area national corridor that are signatories of 20080H2480B3671 - 6 - 1 this compact and any eligible state.

2 "Political subdivision." Any county, city, borough,
3 incorporated town, township or any equivalent unit of local
4 government of a party state.

5 "Regional Transmission Organization" or "RTO." An
6 independent entity that controls, manages and operates regional
7 electric transmission grids free of any discriminatory
8 practices.

9 "Secretary." The Secretary of the United States Department10 of Energy.

"Transmission corridor." A geographic area proposed for the location, construction and operation of one or more crossborders high-voltage transmission lines.

Article TIT

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15 MID-ATLANTIC AREA STATES COUNCIL AND

16 COMPACT ADMINISTRATORS

17 Section 3.1. Establishment of council.

18 (1) There is hereby established a council to be known as 19 the Mid-Atlantic Area States Council, which shall be a body 20 politic and corporate, with succession for the duration of 21 this compact, as an agency and instrumentality of the 22 governments of the party states that are signatories of this 23 compact.

(2) The council shall consist of the chairman of each
party state's public utility commission or public service
commission, as the case may be, or the person holding an
equivalent position who is engaged in the regulation of
electric utilities in each party state, or a designee of the
chairman or other person.

30 (3) The person serving as the Secretary of Environmental 20080H2480B3671 - 7 -

1 Protection and the person serving as the Secretary of 2 Conservation and Natural Resources or persons holding 3 similarly situated positions in a party state or designees of 4 such secretaries or other persons shall serve as members of 5 the council. If no such persons in similarly situated 6 positions exist in a party state, the Governor of that state 7 shall appoint two individuals with expertise in energy policy 8 as it relates to protection of the environment, conservation 9 and natural resources and land use as that state's representatives on the council, provided, however, that a 10 11 person so appointed shall not have any pecuniary interest in 12 any corporation, electric utility or other person operating 13 or interested in establishing an electric energy transmission facility in a party state or in any affiliate, intermediary, 14 15 subsidiary or holding company of such corporation, electric 16 utility or other person.

17 (4) The council shall elect annually from among its
18 members a chairperson, a vice-chairperson and a treasurer
19 whose offices shall rotate annually among the party states,
20 with such powers and duties as the council shall in its
21 bylaws prescribe. At no time shall any such office be held by
22 council members from the same party states.

23 A member of the council may designate a deputy or (5) 24 assistant to act in the place of such member, with full 25 authority to attend meetings of the council and with power to discharge the duties and functions of such member either for 26 27 the duration of membership of the appointing member or for 28 any lesser time, unless otherwise provided by law of the party state of such member. A designee so appointed shall 29 30 serve only at the direction and during the term of the - 8 -20080H2480B3671

appointing member and shall be subject to removal at the
 pleasure of such appointing member.

3 (6) The council shall appoint an executive director who 4 shall serve at the pleasure of the council and who shall have 5 such powers and duties as the council shall in its bylaws impose. The executive director shall serve as secretary of 6 7 the council and, together with the treasurer, shall be bonded 8 in such amounts as the council may in its bylaws require. The 9 executive director, on behalf of, as trustee for, and with 10 approval of the council as its bylaws shall require, may 11 borrow, accept or contract for the services of personnel from 12 any party state, any other state government or any political 13 subdivision or agency thereof, from any intergovernmental agency, or from any institution, person, firm or corporation, 14 15 and may accept for any of the council's purposes and 16 functions under this compact any and all donations, gifts and grants of money, equipment, supplies, materials and services 17 18 from any party state, any other government or political subdivision or agency thereof, or intergovernmental agency, 19 20 or from any institution, person, firm or corporation, and may receive and utilize the same. 21

22 The council may, without regard to the civil service (7)23 or other laws of any party state relative to public officers 24 and employees, create and abolish offices, employment and 25 positions as it deems necessary for the purposes of the 26 council, affix and provide for the duties, conditions for 27 employment, qualifications, appointment, removal, term, 28 compensation and other rights and benefits of the council's 29 officers and employees. The council shall appoint the principal officers of the council and allocate among them 30 - 9 -20080H2480B3671

administrative functions, powers and duties necessary to
 carry out its purposes under this compact.

3 (8) The council may maintain one or more offices for the 4 transaction of its business and shall meet as often as it 5 requires at such time and place as it shall determine. Each 6 council member shall be reimbursed for travel expenses in 7 accordance with the laws, regulations or policies of the 8 council member's party state.

9 (9) The organizational meeting of the council shall be
10 held within six months of the effective date of this compact.
11 Section 3.2. Council bylaws.

12 The council shall adopt bylaws for the conduct of (1)13 its business by a two-thirds vote and shall have the power by the same vote to amend and rescind its bylaws. The council 14 15 shall publish its bylaws in convenient form with the 16 Secretary of the Commonwealth or, in the case of other party 17 states, with the appropriate agency or officer of each 18 participating party state. The bylaws shall, among other 19 things, provide for the powers and duties of the executive 20 director of the council and for adequate notice to the 21 council members and the general public of all meetings and hearings, and of the business to be transacted at such 22 23 meetings and hearings of the council. Adequate notice of all 24 meetings and hearings of the council shall be provided to the 25 public and to other agencies and officers of party states in accordance with the laws and regulations of such states or in 26 27 accordance with the requirements of this compact.

28 (2) The council shall have a seal.

29 Section 3.3. Voting.

30 (1) Each party state shall be entitled to one vote in 20080H2480B3671 - 10 - 1 the conduct of the business of the council.

2 (2) All actions taken by the council, except for actions 3 to designate a transmission corridor and approve the location 4 and construction of a cross-borders electric energy 5 transmission facility proposed to be sited in a national 6 interest electric transmission corridor, shall be by majority 7 vote of the members present.

8 Any actions of the council to designate a (3) transmission corridor or approve the location and 9 construction of a cross-borders electric energy transmission 10 11 facility proposed to be sited in a national interest electric 12 transmission corridor shall require a unanimous vote of all 13 members of the council in whose states the transmission 14 corridor is proposed to be designated or a cross-borders 15 electric energy transmission facility is proposed to be located and constructed. 16

17 (4) Except as provided in paragraph (3), no action of 18 the council shall be binding unless taken at a meeting at 19 which a majority of all party states are represented and 20 unless a majority of the total number of votes are cast in 21 favor thereof.

(5) In addition to the powers and duties elsewhere
prescribed in this compact, the council shall have the power
to make and enforce rules and regulations as it deems
necessary to implement the provisions of this compact or to
effectuate in any other respect the purposes of this compact.
Section 3.4. Compact administrators.

(1) The chairman of each party state's public utility
commission or public service commission, as the case may be,
or the person holding an equivalent position who is
20080H2480B3671 - 11 -

responsible for regulating electric utilities in each such party state shall act as compact administrator for that state. The compact administrator shall consult with like officials of the party states, and shall foster cooperation between such states in the designation of transmission corridors and the location and construction of any crossborders electric energy transmission facilities.

8 (2) The compact administrators and other members of the 9 council shall organize to negotiate and establish a regional 10 process to be adopted by the party states for the designation 11 of a transmission corridor or approval, location and 12 construction of cross-borders electric energy transmission 13 facilities in accordance with the requirements of this 14 compact.

15 (3) In negotiating the terms of the compact, the compact 16 administrators shall assure that the compact incorporates 17 procedures to ensure appropriate adjudicative proceedings, 18 mitigate environmental impacts and ensure that the compact is 19 in the public interest of the party states.

20 Article IV

21 POWERS AND DUTIES OF COUNCIL

22 Section 4.1. Powers and duties.

23 (1) The council shall, after notice and public hearings, 24 develop, negotiate and promulgate rules and regulations 25 establishing a regional process to govern the designation of 26 a transmission corridor and approval, location and 27 construction of cross-borders electric energy transmission 28 facilities, including any such facility proposed to be 29 located in a national interest electric transmission corridor 30 as designated by the secretary pursuant to section 1221 of 20080H2480B3671 - 12 -

1 the Energy Policy Act of 2005.

2 (2) To carry out its powers and duties under this
3 compact, it shall be the further duty of the council to:

4 (i) Conduct and prepare, independently or in
5 cooperation with academia, energy economists and other
6 energy experts and analysts or other persons as
7 determined by the council, studies, investigations,
8 research and programs relating to all aspects of the site
9 selection of cross-borders electric energy transmission
10 facilities.

(ii) Adopt standards, rules and regulations to perform its functions and enforce the terms of this compact, including standards, rules and regulations to govern the location and construction of cross-borders electric energy transmission facilities.

16 (iii) Exercise any authority consistent with this17 compact authorized by Congress under Federal law.

18 (iv) Advise, consult and encourage voluntary
19 cooperation from other agencies of the party states and
20 political subdivisions thereof, industries, other states,
21 the Federal Government, interested parties and other
22 persons in furtherance of its duties under this compact.

23 (v) Submit to the Governor of each party state an 24 annual report covering the activities of the council for 25 the preceding calendar year. The report shall be 26 submitted on or before December 31 of each year, shall 27 include such standards, rules, regulations and bylaws as 28 may have been adopted by the council, and shall be 29 transmitted to the Senate and the House of 30 Representatives or State Assembly, as the case may be, of

20080H2480B3671

- 13 -

each party state. The council may issue such additional
 reports as it may deem necessary.

3 (vi) Conduct informational meetings and public
4 hearings to disseminate information, receive comment or
5 take testimony with respect to the designation of a
6 transmission corridor or the location and construction of
7 cross-borders electric energy transmission facilities.

8 (vii) Consider and present recommendations, policies 9 and programs designed to facilitate the location and 10 construction of cross-borders electric energy 11 transmission facilities.

12 (viii) Recommend such changes in, or amendments or 13 additions to, the laws, rules, regulations, policies or 14 guidelines of the party states that, in the judgment of 15 the council, may be appropriate.

16 (ix) Cooperate with the DOE and FERC or any 17 successor agency thereto, any other officer or agency of 18 the United States and the party states and any other 19 governmental unit or agency or officer thereof, and with 20 any other persons, entities or agencies, including 21 regional transmission organizations and energy or power 22 authorities, in matters related to the approval, location 23 and construction of cross-borders electric energy transmission facilities. 24

25 (x) Advise and assist the Governor and the
26 legislature of each party state with the development and
27 implementation of policies and procedures relating to the
28 designation of transmission corridors and the location
29 and construction of cross-borders electric energy
30 transmission facilities.

20080H2480B3671

- 14 -

(xi) Require and receive from any agency of a party
 state, or any political subdivision thereof, assistance
 and data.

4 (xii) Compile, publish and distribute, with or
5 without fee, any reports, bulletins, newsletters or other
6 documents as it may deem appropriate.

7 (xiii) Work with stakeholders, affected Federal,
8 state and local agencies, regional transmission
9 organizations, power or energy authorities and the public
10 to study alternatives to cross-borders electric energy
11 transmission facilities and transmission corridors.

(xiv) Designate a cross-borders electric energy 12 13 transmission corridor or corridors on its own motion or 14 by application of a person proposing to construct a 15 cross-borders electric energy transmission facility. The 16 council's designation of a transmission corridor shall 17 serve to identify a feasible corridor where one or more 18 future cross-borders high-voltage electric energy 19 transmission line or lines may be located and constructed 20 that are consistent with the needs of this Commonwealth 21 and the party states.

22 (xv) Develop and adopt, in consultation with 23 appropriate agencies of the party states, regional 24 transmission organizations, energy or power authorities, 25 electric distribution companies, transmission owners and 26 consumers a strategic plan for the Mid-Atlantic region's 27 electric transmission grid. The strategic plan shall 28 identify and recommend activities needed to ensure 29 reliability, relieve congestion and meet future growth in load and generation, including, but not limited to, 30 20080H2480B3671 - 15 -

renewable resources, energy efficiency and other demand reduction measures. In developing the strategic plan, the council shall confer with state agencies and political subdivisions in the party states and Federal agencies to identify appropriate areas within their jurisdictions that may be suitable for a transmission corridor or electric energy transmission facility.

8 (xvi) Coordinate, to the extent feasible, efforts to 9 identify long-term transmission needs of the party states 10 with the land use plans of the party states, political 11 subdivisions thereof and Federal agencies.

12 (xvii) Accept, review and approve or disapprove
13 applications from persons proposing to locate and
14 construct a cross-borders electric energy transmission
15 facility. The application shall be in the form required
16 by the council and shall be accompanied by any supportive
17 data and other information, including, but not limited
18 to, the following:

(A) The name of the applicant, address of its
principal place of business and state or states in
which it is incorporated to do business.

22 (B) A statement of need and general description 23 of the proposed route. The general description shall 24 not be a legal or metes and bounds description but 25 shall include the proposed route of the cross-borders 26 electric energy transmission facility, including the 27 number of route miles, the right-of-way width and the 28 location of such facility within each political subdivision traversed. 29

30(C)Supporting exhibits, such as maps, including20080H2480B3671- 16 -

topographic maps; a system map depicting in sufficient detail the location and voltage of existing transmission facilities of the applicant and the location and voltage of the proposed electric energy transmission facilities, aerial photographs and other engineering materials as the council shall by regulation prescribe.

8 (D) The names and addresses of known persons, 9 Indian tribes, corporations, small businesses and 10 other entities of record owning property within the 11 proposed right-of-way, together with an indication of 12 the rights-of-way acquired or the rights-of-way 13 needed to be acquired by the applicant.

14 (E) A statement of the safety considerations,
15 including public health and safety, that will be
16 incorporated into the design, construction and
17 maintenance of the proposed electric energy
18 transmission facility.

19 (F) A description of any studies, including any 20 third-party studies, that have been made or will be 21 made concerning the projected environmental impact of 22 the proposed cross-borders electric energy 23 transmission facility and of the efforts that have been or will be made to minimize the impact of the 24 25 proposed electric energy transmission facility on the 26 environment, historic areas, preserved land, 27 farmland, land subject to agricultural conservation 28 easements and other conservation easements, scenic 29 rivers and waterways, including, but not limited to, 30 impacts, where applicable, on land use, soil and - 17 -20080H2480B3671

sedimentation, plant and wildlife habitats, terrain, hydrology and landscape.

3 (G) A description of the efforts of the
4 applicant to locate and identify archaeological,
5 geologic, historic, scenic and wilderness areas of
6 significance within two miles of the proposed right7 of-way and the location and identity of areas
8 discovered by the applicant.

9 (H) The location and identity of airports within 10 two miles of the nearest limit of the right-of-way of 11 the proposed electric energy transmission facility.

(I) A general description of reasonable
alternative routes, including a description of the
transmission corridor planning, methodology, a
comparison of the merits and detriments of each
route, and a statement of the reasons for selecting
the proposed route.

18 (J) A list of local, state and Federal agencies 19 that have requirements which must be satisfied in 20 connection with the construction, maintenance and 21 operation of the proposed cross-borders electric 22 energy transmission facility, and a list of all 23 required documents which have been or will be filed 24 with a local, state or Federal agency in connection 25 with the location, construction and operation of the 26 proposed cross-borders electric energy transmission 27 facility.

(K) The estimated cost of construction of the
 proposed cross-borders electric energy transmission
 facility and the projected date of completion.

20080H2480B3671

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- 18 -

1 (xviii) Upon receipt of an application or upon its own motion for the designation of a transmission corridor 2 or upon receipt of an application for the location and 3 4 construction of a cross-borders electric energy 5 transmission facility, arrange for the publication of a summary of the application in two newspapers of general 6 circulation in each county where the proposed 7 transmission corridor or cross-borders electric energy 8 transmission facility is proposed to be located and 9 10 constructed and notify all property owners within, or 11 adjacent to, the proposed transmission corridor or crossborders electric energy transmission facility. The 12 13 council shall transmit a copy of the application for designation of a transmission corridor or for the 14 location and construction of a cross-borders electric 15 16 energy transmission facility to all political 17 subdivisions, and state and Federal agencies having an 18 interest in the proposed transmission corridor or cross-19 borders electric energy transmission facility.

20 (xix) Publish applications for designation of a 21 transmission corridor or location and construction of a 22 cross-borders electric energy transmission facility on 23 its Internet website, and provide for public notification 24 of the availability of the application on the council's 25 Internet website through appropriate media outlets.

26 (xx) Notify appropriate agencies of party states, 27 and political subdivisions thereof, Federal agencies and 28 Indian tribes in whose jurisdiction the proposed 29 transmission corridor or cross-borders electric energy 30 transmission facility will be located regarding the 20080H2480B3671 - 19 -

1 application to designate a transmission corridor or locate and construct a cross-borders electric energy 2 3 transmission facility. Such notice shall solicit 4 information from, and the council shall confer with, all affected political subdivisions of party states, Indian 5 tribes and affected state and Federal agencies regarding 6 their land use plans, existing land uses and other 7 factors in which they have expertise or interest with 8 9 respect to the proposed transmission corridor or proposed 10 cross-borders electric energy transmission facility. The 11 council shall provide any affected political subdivision, state or Federal agency, Indian tribe and any property 12 13 owner within or adjacent to the proposed transmission corridor or cross-borders electric energy transmission 14 15 facility and other interested parties ample opportunity 16 to participate in the council's review of a proposed 17 transmission corridor or cross-borders electric energy 18 transmission facility.

19 (xxi) Permit agencies of party states and affected 20 political subdivisions thereof, Federal agencies, regional transmission organizations, Indian tribes and 21 22 members of the public, including any property owner 23 within or adjacent to the proposed transmission corridor or proposed cross-borders electric energy transmission 24 25 facility, to provide comment on the need and suitability 26 of the proposed transmission corridor or proposed crossborders electric energy transmission facility with 27 28 respect to environmental, public health and safety, land 29 use, economic and transmission grid impacts or other 30 factors on which they may have expertise or desire to 20080H2480B3671 - 20 -

1 comment.

2 (xxii) Adopt standards for the construction and 3 operation of cross-borders high voltage transmission 4 lines.

(xxiii) Prescribe the form and content of 5 applications for the designation of transmission 6 corridors and the location and construction of electric 7 energy transmission facilities; conduct public hearings 8 and take other actions to secure adequate evaluation of 9 10 applications; and formally act to approve, disapprove or 11 modify applications, including specifying conditions under which approval of a transmission corridor or cross-12 13 borders electric energy transmission facility will be permitted. 14

15 (xxiv) Issue permits for the location and
16 construction of cross-borders electric energy
17 transmission facilities.

18 (xxv) Present state concerns and interests to party 19 states, other states, regional transmission 20 organizations, and the Federal Government on any proposed transmission corridor which is designated as such by the 21 22 DOE and the location and construction of any electric 23 energy transmission facility which may affect the environment, health or safety of the citizens of the 24 25 Commonwealth of Pennsylvania and other party states.

26 (xxvi) Establish, maintain and manage a data
 27 collection system for obtaining and storing information
 28 necessary to perform its functions under this compact.

29 (xxvii) Adopt rules and regulations, or take any
30 action, it deems reasonable and necessary to:

20080H2480B3671

- 21 -

(A) ensure the free and open participation of
 the public and interested parties; and

3 (B) protect the confidentiality of information
4 it may receive in performing its function under this
5 compact.

6 Section 4.2. Advisory committees.

7 The council may establish such advisory, technical or regional committees as it may deem necessary to carry out its 8 duties under this compact. The membership of such advisory 9 committees shall include, but not be limited to, private 10 11 citizens; representatives of Indian tribes; expert and lay personnel; representatives of industry, labor, commerce, 12 13 agriculture, civic organizations, environmental organizations, health professions, voluntary health agencies and academia; and 14 15 officials of local, state and Federal government. The council may cooperate with and use the assistance and services of any 16 17 such committees and the organizations they represent in 18 furthering any of its activities or carrying out its functions 19 and duties under this compact.

20 Section 4.3. Rules and regulations.

(1) The council shall, after public notice and public hearing, promulgate, adopt and enforce such rules and regulations as may be necessary and appropriate for the implementation and enforcement of this compact. Such rules and regulations shall, among other things, provide for the following:

27 (i) Cooperation and consultation between the party
 28 states and affected Federal agencies of the United States
 29 Government.

30 (ii) Processes and procedures for developing a
20080H2480B3671 - 22 -

1 comprehensive inventory of all existing and planned electric energy generating and transmission facilities in 2 3 each party state, including all electric energy 4 generating and transmission facilities under 5 construction. Notwithstanding any other provision of law or regulation, all providers of electric transmission and 6 distribution services, regional transmission 7 organizations and all power or energy authorities or 8 successors to such providers, regional transmission 9 10 organizations and power or energy authorities in each 11 party state shall cooperate with the council in developing the inventory of existing and planned electric 12 13 energy transmission facilities.

14 (iii) Processes and procedures to receive assistance
15 and data from any agency of a party state or political
16 subdivisions thereof.

17

(iv) Adoption of an annual budget.

(v) Standards for the review and approval of
applications to locate and construct electric energy
transmission facilities. Such standards may address, but
need not be limited to, the following:

22 (A) The financial ability and qualifications of23 the applicant.

(B) The organizational, managerial and technical
expertise of the applicant to construct and operate
the proposed cross-borders electric energy
transmission facility.

(C) Areas designated for protection or
 conservation by a party state or an agency of the
 Federal Government, including, but not limited to,
 20080H2480B3671 - 23 -

agricultural land, monuments, historic sites, wilderness areas, scenic rivers and waterways, wildlife refuges and similar areas.

4 (D) Effect of the proposed cross-borders 5 electric energy transmission facility, taking into 6 account mitigation on fish and wildlife, including 7 threatened and endangered fish, wildlife or plant 8 species.

Impact of the proposed cross-borders 9 (E) 10 electric energy transmission facility on historic, 11 cultural or archaeological resources listed on or determined pursuant to historic preservation or land 12 13 conservation laws of the party states or the Federal 14 Government, to be eligible for listing on the 15 National Register of Historic Places or any similar 16 laws of the party states concerned with the protection, preservation and conservation of historic 17 18 places in such party states.

(F) Protection of public health and safety,
 including necessary safety devices and procedures.

(G) Potential impact of the proposed crossborders electric energy transmission facility on
recreation, scenic and aesthetic values.

(H) Soil protection.

(I) The need for the proposed transmission
corridor or proposed cross-borders electric energy
transmission facility.

(J) Impact of the proposed cross-borders
 electric energy transmission facility on the
 environment.

20080H2480B3671

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- 24 -

(K) Any other conditions, requirements or
 standards the council may prescribe by rule or
 regulation.

4 (vi) The form and content of applications for
5 designation of a transmission corridor or an electric
6 energy transmission facility.

(vii) Confidentiality of data and information 7 received by the council and maintained in its data 8 collection system, including security measures to ensure 9 10 that data or information it has designated as 11 confidential or received with a confidential designation from a governmental agency, regional transmission 12 13 organization or other person is protected against disclosure. The council may, by regulation, designate 14 certain categories of data and information as 15 16 confidential. Any confidential information pertinent to 17 the functions of the council under this compact that is 18 obtained by another state agency, regional transmission 19 organization or other person shall be available to the 20 council and shall be treated as confidential. 21 Confidential information shall be aggregated or masked to 22 the extent necessary to assure confidentiality if public 23 disclosure of the specific information would result in 24 unfair competitive disadvantage to the person supplying 25 the information.

26 (viii) Procedures to govern cost-sharing between the27 party states.

28 Section 4.4. Duties of party states.

29It shall be the duty of the Public Utility Commission or30similar situated agency of each party state to establish an20080H2480B3671- 25 -

electric energy transmission facility siting council and take 1 such measures as shall be necessary and appropriate to 2 3 promulgate and adopt the regional process for the location and 4 construction of electric energy transmission facilities 5 established by this compact. Each party state's electric energy transmission facility siting council is hereby designated as the 6 state authority for the purpose of siting electric energy 7 8 transmission facilities under the Energy Policy Act of 2005, and shall work with the council to carry out the intent and purpose 9 of this compact. Each such council's authority regarding 10 transmission facilities shall be limited to those transmission 11 12 facilities that are subject to section 1221 of the Energy Policy 13 Act of 2005 and this compact. Article V 14 15 PUBLIC HEARINGS, MEETINGS AND RECORDS OF COUNCIL 16 Section 5.1. Informational meetings. 17 (1) The council may conduct informational meetings in 18 the counties where the transmission corridor is proposed to 19 be designated or where an electric energy transmission facility is proposed to be located and constructed. Such 20 21 informational meetings shall be convened as soon as 22 practicable but not later than 60 days after a vote of the 23 council to designate a transmission corridor and not later 24 than 60 days after receipt of an application for the designation of a transmission corridor. The purpose of the 25 26 informational hearings shall be to: 27 (i) Provide information about the proposed 28 transmission corridor or electric energy transmission

29 facility to ensure that the public and interested parties 30 have a clear understanding of the proposal.

20080H2480B3671

- 26 -

(ii) Receive initial comments about the proposed
 transmission corridor or electric energy transmission
 facility.

4 (iii) Explain the relationship of the proposed
5 transmission corridor or electric energy transmission
6 facility to any strategic plan for the Mid-Atlantic
7 area's transmission grid.

8 (iv) Solicit suggestions and information on 9 reasonable alternatives to the proposed transmission 10 corridor or electric energy transmission facility.

11 (2) Informational meetings shall be convened in each 12 party state, and the place or places of such meetings shall 13 be as close as possible to the proposed route of the 14 transmission corridor or electric energy transmission 15 facility.

16 Section 5.2. Public hearings.

17 (1) Subsequent to the informational meetings, the 18 council shall convene public hearings to determine whether 19 the proposed location of the transmission corridor or 20 electric energy transmission facility is consistent and in 21 compliance with land use plans and zoning ordinances of 22 affected political subdivisions and regional planning 23 authorities. If it is determined that the proposed location 24 conforms with existing land use plans or zoning ordinances in 25 effect as of the date of the application, the affected 26 political subdivision or regional planning authority shall 27 not thereafter change or modify such land use plans or zoning 28 ordinances so as to affect the proposed location.

29 (2) Additional public hearings shall be held as deemed 30 necessary and appropriate by the council in the exercise of 20080H2480B3671 - 27 - 1 its functions under this compact, and to ensure participation
2 by landowners and other individuals who may be impacted by
3 the location and construction of an electric energy
4 transmission facility.

5 Section 5.3. Public participation.

6 (1) All meetings and public hearings convened by the 7 council shall be open to the public, except with respect to 8 meetings concerned with personnel issues, with at least 30 9 days' advance notice. The chairman may convene an emergency 10 meeting with less advance notice.

11 (2) The council shall ensure public accessibility to all 12 documents, exhibits or other materials related to the 13 designation of a transmission corridor or the location and 14 construction of an electric energy transmission facility.

(3) All meetings of the council shall be conducted in a
manner that substantially conforms to the Administrative
Procedure Act (5 U.S.C. Ch.5, Subch.II, and Ch.7).

18 (4) The council may, by two-thirds vote of the members 19 present, hold an executive session closed to the public for 20 the purpose of discussing legally privileged or proprietary 21 information; to consider dismissal, disciplining of or 22 hearing complaints or charges brought against an employee or 23 other public official unless such person requests a public 24 hearing; or to consult with its attorney regarding 25 information or strategy in connection with specific 26 litigation. The reason requiring an executive session shall 27 be announced at least 14 days prior to the executive session, 28 except that the chairman may convene an emergency executive 29 session with less advance notice, provided that the reason 30 for the emergency executive session is announced at the 20080H2480B3671 - 28 -

public meeting immediately subsequent to the executive
 session. All actions of the council taken in violation of the
 requirements of this section shall be null and void.
 Section 5.4. Tribal participation.

5 (1) In addition to all other opportunities to comment 6 and participate in proceedings of the council under this 7 compact, the council shall consult with and ensure 8 participation by federally recognized Indian tribes in its 9 proceedings.

10 (2) All federally recognized Indian tribes within a 11 party state shall receive reasonable notice informing the 12 tribe that they may participate in the proceeding before the 13 council. The notice and subsequent notices shall inform the tribe of any informational or public hearing to be convened 14 15 by the council and of the tribe's right to submit written comments or otherwise participate in such meeting and 16 17 hearings. The council shall consider the comments submitted 18 by an Indian tribe before approving, approving with 19 modification or disapproving any proposal subject to review, 20 approval or disapproval by the council.

(3) The council shall consult with federally recognized Indian tribes for the establishment of a mutually agreed upon mechanism or process for the purpose of facilitating dialogue with and participation by such tribes in its proceedings. The council may include tribal participation on advisory committees authorized under this compact or such other

27 mutually agreed to processes.

28 Section 5.5. Minutes.

29 Detailed written minutes shall be kept of all meetings and 30 hearings of the council. All decisions, files, records and data 20080H2480B3671 - 29 -

of the council, except for information privileged against 1 introduction in judicial proceedings, including proprietory 2 3 information, personnel records and minutes of a properly 4 convened executive session, shall be open to public inspection 5 subject to a procedure that substantially conforms to the Freedom of Information Act (Public Law 89-554, 5 U.S.C. § 552) 6 7 and applicable Pennsylvania law or laws of other party states, and may be copied upon request and payment of a fee as 8 established by regulation of the council and which shall be no 9 10 higher than necessary to recover copying costs.

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### Article VI

FINANCES

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13 Section 6.1. Annual budget.

14 The council shall annually adopt and submit a budget (1)15 of its estimated expenditures for administration and 16 operation to the principal budget officer of each party state 17 at such time and in such manner as may be required by the 18 laws of the party states for presentation to the legislatures 19 thereof. Each such budget shall contain specific recommendations of the amount or amounts to be appropriated 20 21 by each party state. The council shall not pledge the credit 22 of any party state. The council may meet any of its 23 obligations in whole or in part with funds available to it 24 under Article III of this compact, provided that the council 25 take specific action to set aside such funds prior to the 26 incurring of any obligations to be met in whole or in part by 27 the use of such funds. Except where the council makes use of 28 funds available to it under Article III hereof, the council shall not incur any obligations prior to the allocation of 29 30 funds by the party states sufficient to meet such 20080H2480B3671 - 30 -

1 obligations.

(2) In calculating its annual budget, the council shall
balance total expenses against the council's estimate of
revenues from all sources, either previously appropriated by
a party state or receivable from any person, political
subdivision or governmental agency.

7 (3) The chairman of the council shall certify to the 8 respective party states and may, if applicable, submit to 9 persons in other governmental agencies statements of the 10 amounts requested from them in accordance with any existing 11 cost-sharing agreement established by the party states 12 pursuant to this compact.

13 Section 6.2. Apportionment of cost.

14 The amount required for the council's current budget shall be 15 apportioned equally among the party states unless a different 16 apportionment is agreed to by unanimous vote of the council. 17 Section 6.4. Accounts of council.

18 (1)The council shall keep accurate accounts of all 19 receipts and disbursements. The receipts and disbursements of 20 the council shall be subject to the audit and accounting 21 procedures established by the council under its bylaws, 22 except that all receipts and disbursements of funds handled 23 by the council shall be audited annually by a qualified 24 public accountant and the report of the audit shall be 25 included in and become a part of the annual report of the 26 council.

27 (2) The accounts of the council shall be open at any 28 reasonable time for inspection by such agency, representative 29 or representatives of the party states as may be duly 30 constituted for that purpose and by others who may be 20080H2480B3671 - 31 -

1	authorized by the council.
2	Article VII
3	ENFORCEMENT
4	Section 7.1. Power to enforce.
5	(1) The council shall have the power to implement and
6	enforce the provisions of this compact.
7	(2) Any person aggrieved by an action or decision of the
8	council shall:
9	(i) Be entitled to an administrative hearing before
10	the council.
11	(ii) Have the right to judicial review of a council
12	decision or action in the United States District Court
13	for the District of Columbia or in such district court
14	that has jurisdiction in the state or states where the
15	council maintain offices, provided that a petition for
16	judicial review is filed within 90 days after all
17	administrative remedies have been exhausted.
18	Section 7.2. Actions to compel compliance.
19	The council may by majority vote initiate actions to compel
20	compliance with this compact and the rules and regulations
21	adopted and promulgated pursuant to this compact. The United
22	States District Court for the District of Columbia or the United
23	States District Court that has jurisdiction in the state or
24	states where the council maintains offices shall have
25	jurisdiction over any actions filed by the council.
26	Section 7.3. Liability.
27	Liabilities of the council shall not be deemed liabilities of
28	the party states. Members of the council shall not be personally
29	liable for actions taken in their official capacity.
30	Article VIII

20080H2480B3671

- 32 -

ELIGIBILITY, ENTRY INTO EFFECT, AMENDMENTS AND WITHDRAWAL
 Section 8.1. Eligibility.

Any or all of the states of Delaware, Maryland, New Jersey, New York, Ohio, Pennsylvania, Virginia, West Virginia and the District of Columbia shall be eligible to become a party state, and any state contiguous to a party state if affirmed by unanimous vote of the council shall be eligible to become a party to this compact.

9 Section 8.2. Entry into effect.

10 (1) This compact shall become operative and effective 11 between the Commonwealth of Pennsylvania and such other party 12 states when the following occur:

(i) The Governor executes the Mid-Atlantic Area
National Corridor Compact on behalf of the Commonwealth
of Pennsylvania and files a verified copy of this compact
with the Secretary of the Commonwealth.

17 (ii) The compact is ratified through the enactment
18 of concurring legislation by two or more of the party
19 states.

20 (iii) The Congress of the United States confers its21 consent or approval to this compact.

(2) The Governor is hereby authorized and directed to
take such action as may be necessary to complete the exchange
of official documents between the Commonwealth of
Pennsylvania and any other state ratifying this compact.

(3) The Secretary of the Commonwealth shall publish a
 notice in the Pennsylvania Bulletin when the conditions set
 forth in paragraph (1) of this section are satisfied. The
 notice shall include the date on which the Mid-Atlantic Area
 National Corridor Compact became effective and operative
 20080H2480B3671 - 33 -

between this Commonwealth and any other state in accordance
 with this act.

3 Section 8.3. Filing.

4 This compact shall be signed and sealed in as many original 5 copies as necessary by the respective Governors of the party states. One such copy shall be filed with the Secretary of State 6 7 of each party state in accordance with the laws or regulations 8 of each such state in which the filing is effectuated, and one copy shall be filed and retained in the archives of the council 9 10 upon its organization. The signatures shall be affixed and 11 attested in a form similar to the following:

12 In witness whereof, and in evidence of the adoption and enactment into law of this compact by the legislatures of 13 14 the party states and consent by the Congress of the 15 United States, the respective Governors do hereby, in 16 accordance with the authority conferred by law, sign this 17 compact in six duplicate original copies, attested by the 18 respective Secretaries of State of each party state, and 19 have caused the seals of the respective party states to 20 be hereunto affixed this day of (month), 21 (year).

22 Section 8.4. Amendments to compact.

This compact shall not be amended or modified except with the concurrence of the General Assembly of the Commonwealth of Pennsylvania and the legislatures of the party states.

26 Amendments shall not become effective until adopted in the same 27 manner as the original compact.

28 Section 8.5. Withdrawal.

29 Any party state may withdraw from this compact by enacting a 30 statute repealing the same, but no such withdrawal shall become 20080H2480B3671 - 34 -

effective until one year after the Governor of the withdrawing 1 party state forwards formal notice in writing to the Governor of 2 3 each other party state informing said Governors of the action of 4 the legislature in repealing the compact and declaring the 5 intention to withdraw, provided, however, that the withdrawal of a party state shall not affect any liability already incurred by 6 7 or chargeable to a party state prior to the time of such 8 withdrawal. 9 Article XI 10 SEVERABILITY AND CONSTRUCTION 11 Section 9.1. Construction. 12 (1) Nothing in this compact shall be construed to: 13 (i) Limit, repeal or supersede any law, rule or 14 regulation of any party state. 15 (ii) Displace existing laws or regulations of the 16 party states that govern the location and construction of 17 intrastate electric energy transmission facilities 18 proposed to be located and constructed within the 19 geographic borders of any such states. 20 (iii) Permit or require any person or other entity 21 to avoid or refuse to comply with any law, rule, 22 regulation, order or ordinance of a party state, or 23 political subdivision thereof, now or hereafter made, enacted or in force. 24 25 (iv) Limit, diminish or otherwise impair 26 jurisdiction exercised by the DOE or any successor 27 agency, or any other Federal department, agency or 28 officer pursuant to and in conformity with any valid and 29 operative act of Congress. 30 (v) Alter the relations between and respective

20080H2480B3671

- 35 -

internal responsibilities of the government of a party
 state and its political subdivisions.

3 (vi) Abrogate or derogate the rights held by any
4 federally recognized Indian tribe.

5 (2) This compact shall be construed liberally in order to achieve the purposes and intent enunciated herein. It is 6 the intent of this compact to establish a basic structure by 7 8 which the council may achieve such purposes through the 9 development and adoption of uniform policies, rules and 10 regulations and strategic plans to facilitate the designation of transmission corridors and the location and construction 11 of cross-border electric energy transmission facilities. 12 Section 9.2. Severability. 13

The provisions of this compact are severable. If any provision of this compact or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this compact which can be given effect without the invalid provision or applications. Section 3. Policy of Commonwealth and effect on laws and regulations generally are as follows:

21 It is hereby declared to be the policy of the (1)22 Commonwealth to perform and carry out this compact and to 23 accomplish the purposes thereof. All officers and agencies of 24 this Commonwealth are hereby authorized and directed to do 25 all things falling within their respective jurisdictions 26 necessary or incidental to the carrying out of this compact 27 in every particular. All officers, employees, departments, 28 bureaus, boards, commissions, authorities and other such agencies of the Commonwealth are hereby authorized and 29 30 directed at reasonable times and upon request of the council 20080H2480B3671 - 36 -

to furnish the council with information and data possessed by them or any of them and to aid the council by loan of personnel or other means lying within their legal powers respectively.

5 (2) If any provision of this compact conflicts with any 6 other provision, limitation or restriction which is now in 7 effect under any other law of this Commonwealth or any rule, 8 regulation, order or policy promulgated thereunder, this act 9 shall govern and control any such other law or rule, 10 regulation, order or policy promulgated thereunder shall be 11 deemed superseded for the purposes of this act.

12 Section 4. Submission of council budgets.

13 The budget of the estimated expenditures of the council shall 14 be submitted to the Governor for such period and in such form as 15 shall be requested by the Governor.

16 Section 5. Appropriation.

17 The sum of \$2,000,000, or as much thereof as may be 18 necessary, is hereby specifically appropriated to the council as 19 the Commonwealth of Pennsylvania's pro rata share of the 20 expenses of the council for the fiscal year beginning July 1, 2008, to June 30, 2009, provided, however, that no such 21 22 appropriation shall be allocated until the compact becomes 23 operative and effective in accordance with section 8.2(1). 24 Section 7. Expiration.

(a) Publication of failure to consent.--If the Congress of the United States fails to confer its consent to and approval of this compact as authorized under this act by June 30, 2010, the Secretary of the Commonwealth shall publish a notice in the Pennsylvania Bulletin within 30 days of June 30, 2010, declaring such failure of the Congress to consent to the compact. (b) Effect of publication.--This act shall expire
immediately upon publication of the notice under subsection (a).
(c) Effect of repeal.--If the President of the United States
would sign a subsequent act of Congress providing for the repeal
of section 1221 of the Energy Policy Act of 2005, this act shall
expire immediately upon the effective date of such act of
Congress.

8 (d) Dissolution.--In the event that this act is terminated 9 by the operation of subsection (b) or (c), the council shall be 10 dissolved, its assets and liabilities transferred and its 11 affairs suspended in accordance with the unanimous agreement of 12 the party states or, failing unanimous agreement, in such manner 13 that the assets and liabilities of the council shall be shared 14 by the respective party states.

15 Section 8. Effective date.

16 This act shall take effect immediately.

C27L71SFL/20080H2480B3671 - 38 -