

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF MARYLAND**

**IN THE MATTER OF THE APPLICATION OF  
CP CRANE LLC FOR A CERTIFICATE OF  
PUBLIC CONVENIENCE AND NECESSITY  
AUTHORIZING THE MODIFICATION OF THE  
CHARLES P. CRANE GENERATING STATION IN  
BALTIMORE COUNTY, MARYLAND**

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Case No. \_\_\_\_\_

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**APPLICATION OF CP CRANE LLC FOR A CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY AUTHORIZING THE MODIFICATION OF THE  
CHARLES P. CRANE GENERATING STATION IN BALTIMORE COUNTY,  
MARYLAND AND REQUEST FOR EXPEDITED REVIEW AND WAIVER OF THE  
TWO YEAR NOTICE REQUIREMENT**

Pursuant to § 7-205 of the Public Utilities Article (“PUA”) of the Annotated Code of Maryland and Title 20, Subtitle 79 of the Code of Maryland Regulations (“COMAR”), CP Crane, LLC (the “Applicant” or “CP Crane”) respectfully requests that the Maryland Public Service Commission (“Commission”) grant the Applicant a Certificate of Public Convenience and Necessity (“CPCN”) authorizing it to modify the existing Charles P. Crane Generating Station (“Crane Station”) in Baltimore County, Maryland. CP Crane proposes to repower Crane Station by permanently retiring its existing coal-fired units and installing and operating three combustion turbines (“CTs”) fired primarily with natural gas (hereinafter the “Repowering Project” or the “Project”).

The purpose of the Repowering Project is to provide clean, quick start, dependable and efficient generating capacity, and energy and ancillary services, at Crane Station. The Repowering Project will re-purpose existing electrical and natural gas interconnections and other infrastructure at the site to provide electricity and related services during times of peak load or

system outages. To provide dependable energy in the event that natural gas is not available, which typically occurs during periods of extremely cold weather, and in support of PJM Interconnection LLC's ("PJM's") capacity performance requirements, the Repowering Project will also have the ability to produce electricity using ultra-low sulfur diesel ("ULSD") and will store enough ULSD on site to operate the CTs at full load continuously for 72 hours. Given the upcoming retirement of the existing coal-fired units, CP Crane requests a waiver of the two-year notice requirement (if applicable) and consideration of its Application pursuant to a timeline that would permit construction to commence in the beginning of the second quarter of 2019. This filing complies with the requirements of § 7-205 by being made at least 180 days prior to the planned commencement of the modification.

This Application is comprised of this petition together with the attached Environmental Review Document ("ERD"), the Direct Testimony of Jeffrey L. Meling of Environmental Consulting & Technology, Inc. ("ECT"), the Direct Testimony of Thomas Pritcher of ECT, and the Direct Testimony of David R. Dunbar of CP Crane. Section I of this petition describes the Applicant; Section II provides an overview of the Repowering Project; Section III provides the information required by the Public Utilities Article and the Commission's regulations; and Section IV requests waiver of the two-year notice requirement and explains the need for expedited review.

The Applicant respectfully requests a procedural schedule permitting review and issuance of an order on its Application by the end of 2018 in order to facilitate construction by the second quarter of 2019. This would permit the Project to commence commercial operations by December 2019.

## **I. The Applicant**

The Applicant is located at 1001 Carroll Island Road, Baltimore, Maryland 21220, and is a wholly-owned subsidiary of Middle River Power, LLC. Middle River Power is a private equity-sponsored investment and asset management company focused on power generation assets located in the United States.

## **II. Project Overview**

The main electrical generating units at Crane Station are two coal-fired electric generating units: Unit 1 and Unit 2. Unit 1, nominally rated at 190 MW, began operating in 1961; and Unit 2, nominally rated at 209 MW, began operating in 1963. To support current operations, coal is delivered to the plant by rail and stored in a coal pile.

With this application, CP Crane is proposing to repower Crane Station by permanently retiring its existing coal-fired generating units (Unit 1 and Unit 2) and installing three aero-derivative type General Electric (“GE”) LM6000 CTs and associated ancillary equipment. The CTs will be configured for simple-cycle operation and fired primarily with natural gas, which will be backed up by ULSD fuel oil. The CTs are expected to serve as peaking units and operate at an annual capacity factor of up to 30 percent. The design of the CTs will allow them to start up and reach full load in 10 minutes or less and shut down quickly multiple times per day if circumstances warrant. The Project CTs will fire natural gas as their primary fuel and will also be capable of firing ULSD in situations when natural gas is not available in sufficient quantities.

Other Project components will include new natural gas compression facilities; liquid ULSD fuel delivery, handling, and storage facilities; process water supply storage, pumping, and treatment facilities; black start generator; continuous emissions monitoring; and wastewater collection and handling facilities. The Project’s total nominal generating capacity will be

approximately 146 MW. Thus, upon completion of the Project, Crane Station's total nominal generating capacity at International Organization for Standardization ("ISO") conditions will be 160 MW (including an existing 14 MW CT discussed below), relative to the approximately 400 MW capacity of the retiring coal-fired units. The electricity generated by the proposed CTs will be transmitted to the power grid via a new 115-kV substation which will connect to the existing electrical transmission lines present at Crane Station.

CP Crane's development plans for the Project have been designed to take full advantage, both environmentally and economically, of the Project site's location, existing infrastructure, and proximity to key support facilities. First, the CTs will be located inside the boundaries of an existing power plant, one that has been in active use since 1961. The specific area within the existing power plant property has been previously impacted and is currently the location of parking area and infrastructure, which will be removed, repurposed, or relocated onsite. No construction is anticipated to occur within or close to any sensitive environmental or land feature. Second, given that the CTs will be located at a currently active power plant, the Project will be able to utilize various existing fuel- and water-related facilities, as well as in-plant auxiliaries. A natural gas pipeline already delivers gas to the site and has sufficient capacity to supply the Project CTs operating at full load. Third, the Project CTs will take full advantage of the existing units' interconnection to the electrical transmission system. Only a short 115-kV generation lead will be needed to make the Project's interconnection to the existing electrical transmission system. The interconnection's structures and lines will be located entirely on the Crane Station property. The Project will require no new offsite transmission lines or structures.

Importantly, the Repowering Project will significantly reduce emissions of air pollutants from the power plant. In addition, while construction and operation of the proposed generating

units will have some other associated environmental impacts, these impacts can be characterized as minimal and do not trigger any federal permit requirements. The Repowering Project will provide replacement electric generating capacity and voltage control at the same injection point that the Crane Station coal-fired plant served for many years. Although the total capacity of the Repowering Project will be less than the original coal-fired plant, the Repowering Project generating units will provide PJM with additional generating flexibility including faster startups and faster load changing capacity.

#### **A. Crane Generating Station**

The Crane Station site is in eastern Baltimore County. Crane Station occupies 157 acres on the end of a small peninsula into the Gunpowder River and Chesapeake Bay. Carroll Island, most of which is associated with Aberdeen Proving Ground, lies directly to the east and connects to the peninsula by Carroll Island Road and a bridge. Seneca Park Beach and Bowleys Quarters are the nearest neighborhoods or communities to the site. Seneca Park Beach, immediately west of the plant, has waterfront homes and a boat yard. The Bowleys Quarters neighborhood is located approximately 1 mile west.

As indicated previously, the main generating units at the plant are the two coal-fired units that are planned to be retired. There is also an existing 14 MW GE Frame 5 CT, which is a No. 2 distillate-fired generating unit (which will continue operations upon completion of the Project), and two small auxiliary boilers at the plant. Other prominent features of the plant include railcar facilities, a coal storage pile, and coal handling equipment.

## **B. Project Activities**

A complete description of planned Project activities is provided in Chapter 3 of the attached ERD. As described in the ERD, the Project will have minimal impacts, and will actually reduce emission rates.

## **III. Application Requirements**

In conformance with the provisions of COMAR 20.79.01.04 (Application Filing Requirements) and 20.79.03.01 (Description of Generating Station), the Applicant hereby states as follows:

A. The name of the Applicant is CP Crane LLC.

B. The address of the principal business office of the Applicant is 1001 Carroll Island Road, Baltimore, Maryland 21220.

C. The following persons are authorized to receive notices and communications with respect to the Application:

F. William DuBois  
Diana M. Krevor  
Jessica M. Raba  
Venable LLP  
750 East Pratt St., Suite 900  
Baltimore, MD 21202  
wdubois@venable.com

David Dunbar  
Middle River Power, LLC  
200 West Madison Street  
Suite 3810  
Chicago, IL 60606  
ddunbar@mrpgenco.com

D. A copy of the Application is being made available for public inspection and copying at the Essex Branch of the Baltimore County Public Library, 1110 Eastern Boulevard, Baltimore, Maryland 21221.

E. A list of each local, state, and federal government agency having authority to approve or disapprove the construction or operation of the Repowering Project is set forth in Table 1.3-1 of the ERD.

F. The electricity generated by the proposed LM6000 CTs and the existing Frame 5 CT will be transmitted to the power grid via a new 115-kV substation. The new substation will connect to the two existing BG&E 115-kV electrical transmission circuits present at Crane Station substation and will allow for the use of either transmission circuit for improved reliability. The Repowering Project will not require construction of any offsite transmission lines.

G. A general description of the generating station modification, consistent with COMAR 20.79.03.01, is provided in Section 3 of the ERD.

H. The Applicant seeks to begin actual, on-site construction by early in the second quarter of 2019. In order to facilitate that schedule, the Applicant seeks an order on this Application by the end of 2018. This schedule would permit the Project to commence commercial operations by December 2019. Additional details concerning construction are provided in section 3.7 of the ERD.

I. The environmental information required by COMAR 20.79.03.02 is provided in the ERD.

#### **IV. Request for Waiver of the Two-year Notice Requirement and Expedited Review**

Maryland law requires the filing of CPCN applications at least two years before the commencement of construction under § 7-208. The Commission has authority to waive that notice requirement upon a showing of good cause. PUA § 7-208(b)(2), *See also* COMAR 20.79.01.07. The Commission routinely grants such requests. *See, e.g.,* Case No. 9129, Order

No. 82309 (Oct. 23, 2008) (stating that the requested waiver was granted in a December 19, 2007 administrative meeting).

A two year notice requirement is unnecessary when, as here, the CTs will be located inside the boundaries of an existing power plant, and the construction area has been previously impacted, making this a “modification” under § 7-205 rather than a new plant. To ensure clear and full compliance with the PUA, however, the Applicant nevertheless seeks a waiver. Absent a waiver here, a two-year waiting period would force the Repowering Project to wait at least a year longer than necessary to commence construction, increasing total Project costs, and resulting in the site sitting vacant and unused. Therefore, an administrative waiting period would not further the State’s interest in ensuring that Maryland has a reliable power supply. Accordingly, good cause exists to support the waiver of the two-year notice requirement.

Project approval by year end 2018 would allow for the completion of construction and commencement of operations by December 2019. As noted above and as more fully described in the ERD, CP Crane plans to commence construction early in the second quarter of 2019 and can do so only if the Commission grants CP Crane’s request for expedited review and approves the Application no later than December 2018.

## **V. Conclusion**

The Applicant has provided the information above, in the attached ERD, and in the testimony of Messrs. Meling, Pritcher, and Dunbar in support of its application. The Project offers environmental benefits and will have a positive impact on the stability and reliability of the electrical system. The Applicant respectfully requests an expeditious review of this Application and issuance of a final order on the Application by the end of 2018.



Respectfully submitted,

A handwritten signature in cursive script, appearing to read "F. William DuBois", written over a horizontal line.

F. William DuBois

Diana M. Krevor

Jessica M. Raba

Venable LLP

750 E. Pratt St., Suite 900

Baltimore, Maryland 21202

(410) 244-7400

wdubois@venable.com

*Counsel for CP Crane LLC*

# VERIFICATION

I, James Suehr, an officer of CP Crane LLC, having authority with respect to the foregoing Application for a Certificate of Public Convenience and Necessity, and being duly sworn, affirm that the matters and facts set forth in the Application are true and correct to the best of my information, knowledge, and belief.

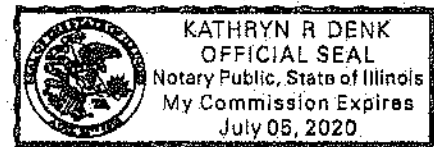
*James Suehr*

Taken, sworn to and subscribed before me this 30<sup>th</sup> day of May, 2018.

*Kathryn R Denk*

Notary Public Name (Print):

*Kathryn R Denk*



My Commission Expires:

7/5/20

## **CERTIFICATE OF SERVICE**

On this 31st day of May, 2018, copies of the foregoing Application for Certificate of Public Convenience and Necessity were sent to the below-listed agencies in accordance with COMAR 20.79.02.02:

1 copy to:  
Fred Homan (acting)  
Baltimore County Executive  
400 Washington Avenue  
Towson, MD 21204

1 copy to:  
W. Carl Richards, Jr.  
Chief, Baltimore County Zoning Review  
111 West Chesapeake Avenue, Room 111  
Towson, Maryland 21204

1 copy to:  
Julian E. Jones, Jr.  
Chair, Baltimore County Council  
400 Washington Avenue  
Towson, Maryland 21204

1 copy to:  
Andrea Van Arsdale  
Director, Baltimore County Department of Planning  
105 West Chesapeake Avenue  
Towson, Maryland 21204

4 copies to:  
Benjamin H. Grumbles, Secretary  
Maryland Department of the Environment  
Montgomery Park Business Center  
1800 Washington Blvd.  
Baltimore, MD 21230

1 copy to:  
Robert S. McCord, Secretary  
Maryland Department of Planning  
301 W. Preston Street  
Baltimore, MD 21201-2365

6 copies to:

Mark J. Belton, Secretary  
Maryland Department of Natural Resources  
Tawes State Office Building, C4  
580 Taylor Avenue  
Annapolis, MD 21401

1 copy to:

Wilbur Ross, Secretary  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, D.C. 20230

1 copy to:

R. Michael Gill, Secretary  
Maryland Department of Commerce  
World Trade Center  
401 East Pratt Street  
Baltimore, MD 21202-3316

1 copy to:

Pete K. Rahn, Secretary  
Maryland Department of Transportation  
P.O. Box 548  
7201 Corporate Center Drive  
Hanover, MD 21076-0548

1 copy to:

Ricky D. Smith, Sr., Executive Director  
Maryland Aviation Administration  
P.O. Box 8766  
Third Floor, Terminal Building, 3<sup>rd</sup> Floor  
BWI Airport, MD 21240-8766

1 copy to:

Gregory Slater, Administrator  
State Highway Administration  
Maryland Department of Transportation  
707 North Calvert Street  
Baltimore, MD 21202

1 copy to:

Ryan Zinke, Secretary  
U.S. Department of the Interior  
1849 C Street NW  
Mail Stop 7229

Washington, DC 20240

1 copy to:  
Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

1 copy to:  
Daniel K. Elwell, Acting Administrator  
Orville Wright Bldg. (F0B10A)  
Federal Aviation Administration National Headquarters  
800 Independence Avenue, SW  
Washington, DC 20591

1 copy to:  
Mary Beth Tung, Esq., Ph.D., Director  
Maryland Energy Administration  
60 West St., Suite 300  
Annapolis, MD 21401

1 copy to:  
Paula M. Carmody, Esquire  
Office of People's Counsel  
William Donald Schaefer Tower  
6 St. Paul Street, Suite 2102  
Baltimore, MD 21202

1 copy to:  
Jim Kurth, Acting Director  
U.S. Fish & Wildlife Service  
Main Interior  
1849 C Street NW, Room 3331  
Washington, DC 20240-0001

1 copy to:  
Calvin G. Butler, Jr.  
Chief Executive Officer  
Baltimore Gas and Electric Company  
2 Center Plaza  
110 W. Fayette Street  
Baltimore, MD 21201

  
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Diana M. Krevor