

(5) The *total* number of interconnection requests denied [and the applicant, the address of the proposed small generator facility,] and the reason for each denial;

(6) Each [application] *interconnection request* for a proposed small generator facility that received a cost estimate or incurred an actual cost of at least \$10,000 for interconnection facilities or distribution upgrades *and was completed during the reporting year, which shall include:*

- (a) (text unchanged)
- [(b) Description;
- (c) Circuit number;
- (d) County or zip code;
- (e) The estimated cost of facilities or upgrades;
- (f) The actual cost of facilities or upgrades;]
- [(g)] (b) (text unchanged)
- [(h)] (c) Variance percentage; *and*
- [(i) Estimated construction start and completion dates;
- (j) Actual construction start and completion dates;
- (k) Whether the project was completed; and]

[(l)] (d) If required, a [detailed] *summary* explanation [for any small generator facility application for which] *on why* the actual cost of facilities or upgrades was at least [10%] *10 percent* greater than the cost estimate provided;

(7) The number of scoping meetings held, the number of feasibility studies, impact studies, facility studies, and combined studies performed and the total fees charged for these studies; [and]

(8) For each [application] *interconnection request* for a proposed small generator facility that failed to meet Level 2 criteria according to Regulation .10F of this chapter, a list of the queue number, reason for failure to meet Level 2 criteria, if the applicant requested additional review, whether the additional review was completed within 30 *calendar* days, or if the applicant decided to request interconnection under Level 4 criteria[.];

(9) *The current utility status and future plans and schedule for implementation of hosting capacity reporting systems or improvements to existing hosting capacity reporting systems;*

(10) *Beginning April 1, 2021, a utility shall also report annually for the previous year:*

(a) *The total number of restricted circuits and the total number of closed circuits;*

(b) *The number of interconnection requests totaled for Level 1, Level 2, Level 3, and Level 4 that were denied due to restricted circuits and the total number that were denied due to closed circuits;*

(c) *The number of interconnection requests for inadvertent export totaled for Level 1, Level 2, Level 3, and Level 4 that were approved, denied, or suspended due to non-compliance pursuant to Regulation .06P(1)(g) of this chapter;*

(d) *The number of interconnection requests for net system capacity totaled for Level 1, Level 2, Level 3, and Level 4 that were approved, denied, or suspended due to non-compliance pursuant to Regulation .06P(1)(g) of this chapter;*

(e) *The number of cancelled small generator facility projects that result in interconnection costs to subsequent small generator facility projects in the same interconnection queue; and*

(f) *The number of small generator facility projects that delay payment for a distribution system upgrade until the time a first higher small generator facility project in an interconnection queue is ready to interconnect; and*

(11) *Beginning April 1, 2023, a utility shall also report annually for the previous year:*

(a) *The number of approved interconnection requests totaled for Level 1, Level 2, Level 3, and Level 4 that utilize default utility required inverter setting profiles; and*

(b) *The number of approved interconnection requests totaled for Level 1, Level 2, Level 3, and Level 4 that utilize site-specific utility required inverter setting profiles.*

D. (text unchanged)

E. For any *small generator* facility receiving an interconnection impact study, the utility shall list and explain any study for which the cost of the actual upgrade exceeded the impact study's estimate by at least 25 percent.

F. For any *small generator* facility receiving an interconnection facilities study, the utility shall list and explain any study for which the cost of the actual upgrade exceeded the impact study's estimate by at least 10 percent.

G. (text unchanged)

ANDREW S. JOHNSTON  
Executive Secretary

**Title 31**  
**MARYLAND INSURANCE**  
**ADMINISTRATION**  
**Subtitle 03 INSURANCE PRODUCERS**  
**AND OTHER INSURANCE**  
**PROFESSIONALS**

**31.03.06 Surplus Lines**

Authority: Insurance Article, §§2-109, 3-304, 3-306—3-308, 3-311—3-313, 3-316, 3-325(c), 9-301(f), 9-303(5), 9-401(j)(1) and (2), 9-405(b), and 27-216, Annotated Code of Maryland

**Notice of Proposed Action**

[20-029-P]

The Insurance Commissioner proposes to amend Regulation .10 under **COMAR 31.03.06 Surplus Lines**.

**Statement of Purpose**

The purpose of this action is to amend COMAR 31.03.06.10 Surplus Lines. This change will open up the market for surplus lines carriers who could not write primary flood coverage as it is already available from the National Flood Insurance Program. The hope is that residential and commercial consumers will have more choices for primary flood insurance coverage and that the State will see an increase in the number of properties that are protected by flood coverage.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.** This change will allow more insurers to offer additional flood coverage insurance products.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:		
Additional revenue	(+)	Minimal
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

**III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

D. Assuming that more companies will begin to offer flood insurance coverage products, this could lead to an increase in premium revenue.

**Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Lisa Larson, Regulations Manager, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202, or call 410-468-2007, or email to [insuranceregreview.mia@maryland.gov](mailto:insuranceregreview.mia@maryland.gov), or fax to 410-468-2020. Comments will be accepted through February 18, 2020. A public hearing has not been scheduled.

**.10 Surplus Lines Exportable List.**

A.—B. (text unchanged)

C. The surplus lines exportable list is as follows:

(1)—(23) (text unchanged)

(24) Flood and water damage—excess of federal flood insurance programs or primary coverage that is at least as broad as the coverage available through the [where a] federal flood insurance program [is not available];

(25)—(50) (text unchanged)

ALFRED W. REDMER, JR.  
Insurance Commissioner

**Subtitle 04 INSURERS**

**31.04.23 Corporate Governance Annual Disclosure**

*Authority: Insurance Article, §§4-503 and 4-508, Annotated Code of Maryland*

**Notice of Proposed Action**

[20-030-P]

The Insurance Commissioner proposes to adopt new Regulations .01— .04 under a new chapter, **COMAR 31.04.23 Corporate Governance Annual Disclosure.**

**Statement of Purpose**

The purpose of this action is to propose new Regulations .01— .04 under COMAR 31.04.23 Corporate Governance Annual Disclosure. During the 2019 legislative session, Ch. 105, Acts of 2019, created Insurance Article, §§4-501 — 4-509, Annotated Code of Maryland, which implemented the Maryland Corporate Governance Disclosure Act. These regulations are being proposed to accompany the Act and

are an accreditation standard required by the National Associate of Insurance Commissioners (NAIC). These regulations follow the NAIC model #306. In addition, these regulations provide additional filing details and instructions to insurance companies required to file under the Maryland Corporate Governance Disclosure Act.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.** There will likely be a cost to insurance companies and insurance holding companies as they will be required to annually report on their corporate governance policies and procedures.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	Magnitude

D. On regulated industries or trade groups:

Cost (-) Varied

E. On other industries or trade groups: NONE

F. Direct and indirect effects on public: NONE

**III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

D(1). Insurers and insurance holding companies will have to report annually to the Commissioner on its structure, policies, and practices. The annual report is intended to reflect the size and complexity of the insurer; therefore the impact will vary.

**Economic Impact on Small Businesses**

The proposed action has a meaningful economic impact on small business. An analysis of this economic impact follows.

As the level of complexity and volume vary among responses, the economic impact is difficult to estimate on a per company basis.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Lisa Larson, Regulations Manager, Maryland Insurance Administration, 200 Saint Paul Place, Suite 2700, Baltimore, MD 21202, or call 410-468-2007, or email to [insuranceregreview.mia@maryland.gov](mailto:insuranceregreview.mia@maryland.gov), or fax to 410-468-2020. Comments will be accepted through February 18, 2020. A public hearing has not been scheduled.

**.01 Applicability.**

*This chapter is applicable to a person subject to the filing requirements of the Maryland Insurance Corporate Governance Annual Disclosure Act under Insurance Article, Title 4, Subtitle 5, Annotated Code of Maryland.*