

# SENATE BILL 271

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CF HB 275

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By: **Senator Edwards**

Introduced and read first time: January 31, 2011

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2011

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public Utilities – Net Energy Metering – Hydroelectric**

3 FOR the purpose of including in the definition of eligible customer–generators that are  
4 eligible for net energy metering a customer that uses a certain type of  
5 hydroelectric generating facility; defining a certain term; and generally relating  
6 to net energy metering.

7 BY repealing and reenacting, with amendments,  
8 Article – Public Utilities  
9 Section 7–306(a)  
10 Annotated Code of Maryland  
11 (2010 Replacement Volume)

12 BY repealing and reenacting, without amendments,  
13 Article – Public Utilities  
14 Section 7–306(b)  
15 Annotated Code of Maryland  
16 (2010 Replacement Volume)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Public Utilities**

20 7–306.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) (1) In this section the following words have the meanings indicated.

2 (2) “Biomass” means “qualified biomass” as defined in § 7–701 of this  
3 title.

4 (3) **“CLOSED CONDUIT HYDRO” MEANS A HYDROELECTRIC**  
5 **GENERATING FACILITY THAT:**

6 **(I) GENERATES ELECTRICITY WITHIN EXISTING PIPING OR**  
7 **LIMITED ADJACENT PIPING OF A POTABLE WATER SUPPLY SYSTEM;**

8 **(II) IS OWNED OR OPERATED BY A MUNICIPALITY OR PUBLIC**  
9 **WATER AUTHORITY; AND**

10 **(III) IS DESIGNED TO PRODUCE LESS ENERGY THAN IS**  
11 **CONSUMED TO OPERATE THE WATER SUPPLY SYSTEM.**

12 (4) “Eligible customer–generator” means a customer that owns and  
13 operates, leases and operates, or contracts with a third party that owns and operates a  
14 biomass, micro combined heat and power, solar, fuel cell, [or] wind, **OR CLOSED**  
15 **CONDUIT HYDRO** electric generating facility that:

16 (i) is located on the customer’s premises or contiguous property;

17 (ii) is interconnected and operated in parallel with an electric  
18 company’s transmission and distribution facilities; and

19 (iii) is intended primarily to offset all or part of the customer’s  
20 own electricity requirements.

21 **[(4)] (5)** “Fuel cell” means an electric generating facility that:

22 (i) includes integrated power plant systems containing a stack,  
23 tubular array, or other functionally similar configuration used to electrochemically  
24 convert fuel to electric energy; and

25 (ii) may include:

26 1. an inverter and fuel processing system; and

27 2. other plant equipment to support the plant’s  
28 operation or its energy conversion, including heat recovery equipment.

1           **[(5)] (6)**     “Generation credit” means a credit associated with the  
2 generation of electricity produced in excess of the electricity consumed by an eligible  
3 customer-generator in one billing period.

4           **[(6)] (7)**     “Micro combined heat and power” means the simultaneous  
5 or sequential production of useful thermal energy and electrical or mechanical power  
6 not exceeding 30 kilowatts.

7           **[(7)] (8)**     “Net energy metering” means measurement of the difference  
8 between the electricity that is supplied by an electric company and the electricity that  
9 is generated by an eligible customer-generator and fed back to the electric grid over  
10 the eligible customer-generator’s billing period.

11           (b)     The General Assembly finds and declares that a program to provide net  
12 energy metering for eligible customer-generators is a means to encourage private  
13 investment in renewable energy resources, stimulate in-State economic growth,  
14 enhance continued diversification of the State’s energy resource mix, and reduce costs  
15 of interconnection and administration.

16           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2011.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.