

HOUSE BILL 166

M5, C5

(PRE-FILED)

4lr0582
CF SB 146

By: **Delegates Stewart, Boaf, Charkoudian, Foley, Hill, Lehman, R. Lewis, Palakovich Carr, Ruth, Solomon, Stein, and Terrasa**

Requested: September 5, 2023

Introduced and read first time: January 10, 2024

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Eligible Sources – Alterations**
3 **(Reclaim Renewable Energy Act of 2024)**

4 FOR the purpose of altering the definition of “Tier 1 renewable source” for purposes of
5 excluding energy derived from waste and refuse from being eligible for inclusion in
6 the renewable energy portfolio standard; and generally relating to the renewable
7 energy portfolio standard.

8 BY repealing and reenacting, without amendments,
9 Article – Public Utilities
10 Section 7–701(a)
11 Annotated Code of Maryland
12 (2020 Replacement Volume and 2023 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Public Utilities
15 Section 7–701(s) and 7–704(a)
16 Annotated Code of Maryland
17 (2020 Replacement Volume and 2023 Supplement)

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

20 **Article – Public Utilities**

21 7–701.

22 (a) In this subtitle the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (s) "Tier 1 renewable source" means one or more of the following types of energy
2 sources:

3 (1) solar energy, including energy from photovoltaic technologies and solar
4 water heating systems;

5 (2) wind;

6 (3) qualifying biomass;

7 (4) methane from the anaerobic decomposition of organic materials in a
8 landfill or wastewater treatment plant;

9 (5) geothermal, including energy generated through geothermal exchange
10 from or thermal energy avoided by, groundwater or a shallow ground source;

11 (6) ocean, including energy from waves, tides, currents, and thermal
12 differences;

13 (7) a fuel cell that produces electricity from a Tier 1 renewable source
14 under item (3) or (4) of this subsection;

15 (8) a small hydroelectric power plant of less than 30 megawatts in capacity
16 that is licensed or exempt from licensing by the Federal Energy Regulatory Commission;

17 (9) poultry litter-to-energy;

18 (10) [~~waste-to-energy;~~

19 (11) refuse-derived fuel;

20 (12)] thermal energy from a thermal biomass system; and

21 [(13)] (11) raw or treated wastewater used as a heat source or sink for a
22 heating or cooling system.

23 7-704.

24 (a) (1) Energy from a Tier 1 renewable source:

25 (i) is eligible for inclusion in meeting the renewable energy portfolio
26 standard regardless of when the generating system or facility was placed in service; and

27 (ii) may be applied to the percentage requirements of the standard
28 for either Tier 1 renewable sources or Tier 2 renewable sources.

1 (2) (i) Energy from a Tier 1 renewable source under § 7–701(s)(1), (5),
2 **OR (9) [(10), or (11)]** of this subtitle is eligible for inclusion in meeting the renewable energy
3 portfolio standard only if the source is connected with the electric distribution grid serving
4 Maryland.

5 (ii) Energy from a Tier 1 renewable source under **[\§ 7–701(s)(13)] §**
6 **7–701(S)(11)** of this subtitle is eligible for inclusion in meeting the renewable energy
7 portfolio standard only if the source:

8 1. is connected with the electric distribution grid serving
9 Maryland; or

10 2. processes wastewater from Maryland residents.

11 (iii) If the owner of a solar generating system in this State chooses to
12 sell solar renewable energy credits from that system, the owner must first offer the credits
13 for sale to an electricity supplier or electric company that shall apply them toward
14 compliance with the renewable energy portfolio standard under § 7–703 of this subtitle.

15 (3) Energy from a Tier 1 renewable source under § 7–701(s)(8) of this
16 subtitle is eligible for inclusion in meeting the renewable energy portfolio standard if it is
17 generated at a dam that existed as of January 1, 2004, even if a system or facility that is
18 capable of generating electricity did not exist on that date.

19 (4) Energy from a Tier 2 renewable source under § 7–701(t) of this subtitle
20 is eligible for inclusion in meeting the renewable energy portfolio standard if it is generated
21 at a system or facility that existed and was operational as of January 1, 2004, even if the
22 facility or system was not capable of generating electricity on that date.

23 SECTION 2. AND BE IT FURTHER ENACTED, That a presently existing obligation
24 or contract right may not be impaired in any way by this Act.

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall apply to all
26 renewable energy portfolio standard compliance years starting on or after January 1, 2024.

27 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2024.