BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 654

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after "of" insert "establishing an Energy-Saving Investment Program administered by the Maryland Energy Administration and consisting of energy efficiency programs and renewable energy projects;"; in lines 9 and 11, in each instance, after "programs" insert "and renewable energy projects"; and in line 18, strike "7-708" and substitute "7-709".

AMENDMENT NO. 2

On page 2, strike beginning with "STATING" in line 10 down through "FUND" in line 13 and substitute "CONSISTENT WITH TITLE 12, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE"; strike in their entirety lines 20 through 25, inclusive; in line 26, strike "(K)" and substitute "(J)"; after line 27, insert:

- "(K) "RENEWABLE ENERGY PROJECTS" MEAN PROJECTS THAT USE ONE OR MORE OF THE FOLLOWING SOURCES OF ENERGY:
 - (1) GEOTHERMAL;
 - (2) WIND;
- (3) HYDROPOWER, WHERE OUTPUT IS EQUAL TO OR LESS THAN 30 MEGAWATTS, OR THE FACILITY IS CERTIFIED BY THE LOW IMPACT HYDROPOWER INSTITUTE;
 - (4) SOLAR ELECTRIC; AND
 - (5) BIOMASS USING:

FIN

- (I) WOODY WASTE INCLUDING MILL RESIDUES BUT NOT INCLUDING WOOD THAT HAS BEEN COATED WITH PAINTS, PLASTICS, OR FORMICA OR TREATED WITH MATERIALS CONTAINING HALOGENS, CHLORINE, OR HALIDE COMPOUNDS;
 - (II) AGRICULTURAL CROPS OR WASTE;
 - (III) ANIMAL AND OTHER ORGANIC WASTE;
 - (IV) ENERGY CROPS; OR
 - (V) LANDFILL GAS.

7-702.

- (A) THERE IS AN ENERGY-SAVING INVESTMENT PROGRAM.
- (B) THE ENERGY-SAVING INVESTMENT PROGRAM CONSISTS OF:
 - (1) ENERGY EFFICIENCY PROGRAMS; AND
 - (2) RENEWABLE ENERGY PROJECTS.";

in line 28, strike "7-702." and substitute "<u>7-703.</u>"; in line 33, after the semicolon insert "<u>AND</u>"; and in line 35, strike "; AND" and substitute a period.

On page 3, strike in their entirety lines 1 and 2; in line 13, after "CODE;" insert "OR"; strike beginning with "; OR" in line 15 down through "RESOURCES" in line 17; and in line 36, after "THE" insert "ENERGY-SAVING INVESTMENT".

AMENDMENT NO. 3

On page 4, in line 3, strike "7-703." and substitute "<u>7-704.</u>"; in line 7, strike "§ 7-702(C)(2)" and substitute "<u>§ 7-703(C)(2)</u>"; in lines 15, 19, 25, 29, and 37, in each instance, strike "PROGRAMS" and substitute "<u>ENERGY EFFICIENCY PROGRAMS AND RENEWABLE</u> ENERGY PROJECTS"; and in lines 15, 19, 26, 29, and 38, in each instance, strike "§ 7-704(G)" and

substitute "§ 7-705(I)".

On page 5, in line 4, strike "7-702(C)(2)" and substitute "<u>7-703(C)(2)</u>"; in line 18, strike "PROGRAMS" and substitute "<u>ENERGY EFFICIENCY PROGRAMS AND RENEWABLE ENERGY PROJECTS</u>"; in line 19, strike "§ 7-704(F)" and substitute "<u>§ 7-705(I)</u>"; in line 35, after "(D)" insert "(1)"; and after line 39, insert:

"(2) A MUNICIPAL CORPORATION OR COOPERATIVE THAT NOTIFIES THE COMPTROLLER UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL SEND A SIMILAR NOTICE TO THE COMMISSION AND THE ADMINISTRATION.".

On page 6, after line 3, insert:

- "(F) TO THE EXTENT THAT ANY ELECTRIC OR GAS COMPANY INDEPENDENTLY RECEIVES APPROVAL UNDER § 7-211 OF THIS TITLE FROM THE COMMISSION FOR THE DIRECT IMPLEMENTATION OF A RESIDENTIAL ENERGY EFFICIENCY PROGRAM, ANY CUSTOMER CHARGE APPROVED BY THE COMMISSION TO SUPPORT THE PROGRAM SHALL BE SUBTRACTED FROM THE AMOUNT OF THE CHARGE TO BE COLLECTED FROM THAT COMPANY'S CUSTOMERS UNDER THIS SECTION.
- (G) A CHARGE UNDER THIS SECTION MAY BE COMBINED WITH A CHARGE AUTHORIZED UNDER § 7-512.1 OF THIS TITLE INTO ONE CHARGE ON A CUSTOMER'S BILL.";

and in line 4, strike "7-704." and substitute "7-705.".

AMENDMENT NO. 4

On page 6, in line 14, strike "PROGRAMS" and substitute "ENERGY EFFICIENCY PROGRAMS AND RENEWABLE ENERGY PROJECTS"; in line 27, strike "AND" and substitute:

"(4) TO REDUCE PEAK DEMAND AND SEASONAL PRICE VOLATILITY FOR NATURAL GAS:":

FIN

in line 28, strike "(4)" and substitute "(5)"; and in line 30, after "COSTS" insert "; AND

(6) TO ENCOURAGE THE DEVELOPMENT OF COMMERCIALLY VIABLE RENEWABLE ENERGY RESOURCES IN THE STATE".

On page 7, in line 9, before "PROGRAMS" insert "ENERGY EFFICIENCY"; in lines 15 and 16, in each instance, before "PROGRAM" insert "ENERGY EFFICIENCY"; in line 17, strike "TO SOCIETY; AND" and substitute a semicolon; in line 18, strike the period and substitute a semicolon; after line 18, insert:

- "(7) A LIST OF RESIDENTIAL ENERGY EFFICIENCY PROGRAMS INDEPENDENTLY UNDERTAKEN BY AN ELECTRIC OR GAS COMPANY WITH COMMISSION APPROVAL UNDER § 7-211 OF THIS TITLE;
- (8) A DEMONSTRATION THAT ANY ENERGY EFFICIENCY PROGRAM
 RECOMMENDED UNDER THIS SECTION DOES NOT DUPLICATE AND IS NOT
 INCONSISTENT WITH THE OBJECTIVES OF A RESIDENTIAL ENERGY EFFICIENCY
 PROGRAM APPROVED UNDER § 7-211 OF THIS TITLE; AND
- (9) AN ASSESSMENT OF THE CURRENT STATE OF RENEWABLE ENERGY RESOURCE DEVELOPMENT IN THE STATE.
- (D) THE PLAN SHALL ALSO CONTAIN RECOMMENDED RENEWABLE ENERGY PROJECTS INCLUDING GOALS, MILESTONES, PERFORMANCE INDICATORS, AND BUDGETS.";

in line 19, strike "(D)" and substitute "(E)"; in line 23, after "RECOMMENDED" insert "ENERGY EFFICIENCY"; in lines 26 and 27, in each instance, after "FOR" insert "ENERGY EFFICIENCY"; in line 31, after "TOWARD" insert "ENERGY EFFICIENCY"; in line 34, before "PROGRAM" insert "ENERGY EFFICIENCY"; and in line 35, strike "AND".

AMENDMENT NO. 5

On page 8, in line 5, after "COOPERATIVE" insert "; AND

(7) NOT MORE THAN 20% OF THE FUNDS EXPENDED IN ANY ONE YEAR SHALL BE DIRECTED TO RENEWABLE ENERGY PROJECTS";

in line 6, strike "(E)" and substitute "<u>(F)</u>"; in the same line, before "PROGRAM" insert "<u>ENERGY EFFICIENCY</u>"; in line 7, strike the colon and substitute a comma; in line 8, strike "(1)"; in the same line, after the first "THE" insert "<u>ENERGY EFFICIENCY</u>"; strike line 9 in its entirety and substitute "<u>ELECTRICITY</u>,"; in line 10, strike "; AND" and substitute "<u>SAVED AS A RESULT OF THE ENERGY EFFICIENCY PROGRAM.</u>"; in line 11, strike "(2)" and substitute "<u>(G) FOR PURPOSES OF PRIORITIZING ENERGY EFFICIENCY PROGRAM IMPLEMENTATION:</u>

<u>(1)</u>";

in the same line, after "APPROPRIATE" insert "<u>RANGE OF</u>"; strike beginning with "PROGRAM" in line 12 down through "QUALITY" in line 13 and substitute "<u>ENERGY EFFICIENCY PROGRAM</u>; <u>AND</u>

(2) OTHER FACTORS BEING EQUAL, EMPHASIS SHALL BE GIVEN TO ENERGY EFFICIENCY PROGRAMS THAT REDUCE PEAK DEMANDS FOR ELECTRICITY OR NATURAL GAS";

in line 15, strike "PROGRAMS" and substitute "ENERGY EFFICIENCY PROGRAMS AND RENEWABLE ENERGY PROJECTS"; in lines 14 and 18, strike "(F)" and "(G)", respectively, and substitute "(H)" and "(I)", respectively; in line 32, strike "(D)" and substitute "(E)"; in line 36, after "THE" insert "ENERGY EFFICIENCY"; and in line 38, after "PROGRAM" insert "OR RENEWABLE ENERGY PROJECT".

AMENDMENT NO. 6

On page 9, in line 8, strike "(H)" and substitute "(J)"; in line 10, after "PROGRAMS" insert "AND RENEWABLE ENERGY PROJECTS"; in line 12, before "EFFICIENCY" insert "ENERGY"; in the same line, after "PROGRAMS" insert "AND RENEWABLE ENERGY PROJECTS"; in line 15, after "PROGRAMS" insert "AND RENEWABLE ENERGY PROJECTS"; in line 16, strike "7-705." and substitute "7-706."; in line 19, strike "UP TO EIGHT" and substitute "THE FOLLOWING"; in line 25, strike "TWO REPRESENTATIVES OF" and substitute "ONE REPRESENTATIVE OF EACH PARTICIPATING"; in the same line, strike "COMPANIES" and substitute "COMPANY"; in the same line, strike "AT"; in line 26, strike "LEAST"; in the same line,

SB0654/637772/1 Amendments to SB 654 Page 6 of 6 **FIN**

Strike "A" and substitute "EACH"; in the same line, strike "OR" and substitute "AND EACH PARTICIPATING"; in line 27, after "COOPERATIVE" insert ", SELECTED BY THE RESPECTIVE ELECTRIC COMPANY, MUNICIPAL CORPORATION, AND COOPERATIVE"; in line 28, strike "A" and substitute "EACH PARTICIPATING"; in the same line, after "COMPANY" insert ", SELECTED BY THE RESPECTIVE GAS COMPANY"; in line 29, strike "NOT-FOR-PROFIT ORGANIZATION" and substitute "UNIT OF STATE GOVERNMENT THAT ADMINISTERS A WEATHERIZATION PROGRAM"; in line 30, after "RESIDENTS" insert ", SELECTED BY THE SECRETARY OF THAT UNIT OF STATE GOVERNMENT"; in line 32, after "POLICY" insert "AND ONE REPRESENTATIVE OF A NOT-FOR-PROFIT ORGANIZATION THAT SERVES LOW-INCOME RESIDENTS"; after line 32, insert:

"(C) NOTWITHSTANDING SUBSECTION (B)(3) AND (4) OF THIS SECTION, A GAS AND ELECTRIC COMPANY SHALL ONLY HAVE ONE REPRESENTATIVE ON THE BOARD.";

and in line 33, strike "(C)" and substitute "(D)".

On page 10, in line 2, after "PROGRAM" insert "<u>AND EACH RENEWABLE ENERGY PROJECTS</u>"; in line 4, after "PROGRAMS" insert "<u>AND RENEWABLE ENERGY PROJECTS</u>"; in line 5, after "CONCERNING" insert "<u>THE</u>"; in the same line, strike "EFFICIENCY" and substitute "<u>-SAVING INVESTMENT PROGRAM</u>"; in line 7, strike "(D)" and substitute "<u>(E)</u>"; in line 8, strike "PROGRAMS" and substitute "<u>ENERGY EFFICIENCY PROGRAMS</u> OR <u>RENEWABLE ENERGY PROJECTS</u>"; in lines 11, 15, and 28, strike "7-706.", "7-707.", and "7-708.", respectively, and substitute "<u>7-707.</u>", "<u>7-708.</u>", and "<u>7-709.</u>", respectively; in line 23, after "PROGRAMS" insert "<u>AND RENEWABLE ENERGY PROJECTS</u>"; in line 25, strike "PROGRAM" and substitute "<u>ENERGY EFFICIENCY PROGRAM AND RENEWABLE ENERGY PROJECT</u>"; and in the same line, after "EXPRESSED" insert "<u>AS APPLICABLE</u>".