

BY: Finance Committee

AMENDMENTS TO HOUSE BILL NO. 1308

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 23, after “projects;” insert “limiting the amount of funds that may be used for certain administrative expenses;”.

On page 2, in line 12, after “dates;” insert “requiring the Office of Legislative Audits to conduct a certain performance audit of the Maryland Renewable Energy Fund; requiring the Office to report the results of the audit to the General Assembly by a certain date; requiring the Administration, in cooperation with the Maryland Department of Agriculture, to enhance the State’s system of monitoring the production and volume of poultry litter for certain purposes; requiring the Commission to provide a certain status report to the Governor and the General Assembly on or before a certain date;”.

AMENDMENT NO. 2

On page 4, after line 19, insert:

“(G) “POULTRY LITTER” MEANS THE FECAL AND URINARY EXCRETIONS OF POULTRY, INCLUDING WOOD SHAVINGS, SAWDUST, STRAW, RICE HULLS, AND OTHER BEDDING MATERIAL FOR THE DISPOSITION OF MANURE.”;

in line 20, strike “(G)” and substitute “(H)”; and in line 27, after “RESIDUE” insert “, EXCEPT SAWDUST AND WOOD SHAVINGS”.

On page 5, in line 5, after “OF” insert “ANIMAL WASTE OR”; and in lines 18, 27, 31, and 34, strike “(H)”, “(I)”, “(J)”, and “(K)”, respectively, and substitute “(I)”, “(J)”, “(K)”, and “(L)”, respectively.

On page 6, in line 7, strike “AND”; in line 9, after “SUBSECTION” insert “; AND”

(Over)

(8) A SMALL HYDROELECTRIC POWER PLANT OF LESS THAN 30 MEGAWATTS IN CAPACITY THAT IS LICENSED OR EXEMPT FROM LICENSING BY THE FEDERAL ENERGY REGULATORY COMMISSION”;

in line 10, strike “(L)” and substitute “(M)”; and in line 14, after “LITTER” insert “, IF THE MARYLAND ENERGY ADMINISTRATION AND THE MARYLAND DEPARTMENT OF AGRICULTURE DETERMINE THAT THERE IS A SUFFICIENT QUANTITY OF POULTRY LITTER AVAILABLE FOR THE ECONOMIC VIABILITY OF ANY EXISTING AND OPERATING ENTITY THAT IS SITED ON THE DELMARVA PENINSULA AND THAT, AS OF JULY 1, 2004, PROCESSES AND PASTEURIZES CHICKEN LITTER AS FERTILIZER”.

### AMENDMENT NO. 3

On page 7, in line 24, strike “1.5” and substitute “1”; in line 28, strike the first “2.5” and substitute “2”; and in line 32, strike “3.5” and substitute “3”.

On page 8, in lines 1, 5, and 9, strike “4.5”, “5.5”, and “6.5”, respectively, and substitute “4”, “5”, and “6”, respectively; after line 31, insert:

“(2) ENERGY FROM A TIER 1 RENEWABLE SOURCE UNDER § 7-701(L)(8) OF THIS SUBTITLE IS ELIGIBLE FOR INCLUSION IN MEETING THE RENEWABLE ENERGY PORTFOLIO IF IT IS GENERATED AT A DAM THAT EXISTED AS OF JANUARY 1, 2004, EVEN IF A SYSTEM OR FACILITY THAT IS CAPABLE OF GENERATING ELECTRICITY DID NOT EXIST ON THAT DATE.”;

in line 32, strike “(2)” and substitute “(3)”; and in line 33, strike “7-701(L)(1)” and substitute “7-701(M)(1)”.

On page 9, in line 2, strike “7-701(L)(2)” and substitute “7-701(M)(2)”; and in line 24, strike “7-701(K)(4)” and substitute “7-701(L)(4)”.

On page 11, in line 27, strike “A COMPLIANCE FEE OF”; and in line 28, after “SUBSECTION” insert “, A COMPLIANCE FEE OF”.

On page 12, in line 18, strike “GENERATES” and substitute “SUPPLIES”; and in line 23, after “SERVICE” insert “THROUGH THE BID PROCESS CREATED”.

### AMENDMENT NO. 4

On page 13, in line 23, after “OR” insert “NONRETAIL”; in the same line, strike “IN A”

YEAR BASED ON HARDSHIP” and substitute “FOR A PARTICULAR YEAR, BASED ON A DEMONSTRATION BY THE APPLICANT OF AN EXTREME ECONOMIC HARDSHIP THAT SIGNIFICANTLY IMPAIRS THE CONTINUED OPERATION OF THE APPLICANT”; and after line 25, insert:

“(3) AN ELECTRICITY SUPPLIER IS NOT LIABLE FOR ANY COMPLIANCE FEE THAT IS WAIVED UNDER THIS SUBSECTION.”.

AMENDMENT NO. 5

On page 14, in line 15, after “(4)” insert “(I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH.”; and after line 17, insert:

“(II) THE ADMINISTRATION AND THE COMMISSION MAY NOT SPEND MORE THAN 10% OF THE FUNDS PLACED IN THE FUND FOR ADMINISTRATIVE EXPENSES.”.

AMENDMENT NO. 6

On page 19, in line 33, after “Act.” insert “It is the intent of the General Assembly that the Public Service Commission propose its regulations concerning waiver of the compliance fee due to hardship under § 7-706(d) of the Public Utility Companies Article, as enacted by this Act, through the emergency adoption process under § 10-111(b) of the State Government Article.”; after line 33, insert:

“SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Public Service Commission recover the costs of establishing a market-based renewable electricity trading system under § 7-708 of the Public Utility Companies Article, as enacted by this Act, through its assessment under § 2-110 of the Public Utility Companies Article.

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) The Office of Legislative Audits shall conduct a performance audit of the Maryland Renewable Energy Fund which includes, for each year since the creation of the Fund, an assessment of:

- (1) the amount of funds received in the Fund;
- (2) the uses of the funds; and
- (3) the administrative expenses related to the Fund for project review and oversight.

(b) The Office shall report the results of the audit to the General Assembly, in accordance with § 2-1246 of the State Government Article, on or before December 1, 2009.

(c) The cost of the performance audit shall be included in the administrative expenses under § 7-707(f)(4) of the Public Utility Companies Article, as enacted by this Act.

SECTION 7. AND BE IT FURTHER ENACTED, That:

(a) The General Assembly acknowledges that significant investments have been made in the utilization of poultry litter in alternative and beneficial ways, such as poultry litter pelletizing plants, before enactment of this Act, and it is the intent of the General Assembly that the private sector continue to find creative and innovative ways in which to utilize poultry litter that are consistent with and responsive to the purposes of this Act.

(b) To the extent that existing and future State financial assistance programs can help facilitate the goals specified in subsection (a) of this section, the General Assembly encourages partnerships that lead to environmentally friendly and economically advantageous initiatives.

(c) To help safeguard previous private sector investment efforts and yet facilitate future private sector investment efforts consistent with the purposes of this Act, the General Assembly encourages the Maryland Energy Administration, in cooperation with the Maryland Department of Agriculture, to enhance the State's system of monitoring the production and volume of poultry litter in order to realize, to the extent possible, a balance between existing demands and anticipated demands for poultry litter to help ensure:

(1) that existing projects have sufficient quantities of poultry litter to meet reasonably projected demands and to be economically viable; and

(2) that future projects, such as power generation, have sufficient quantities of poultry litter in order to become economically viable.

SECTION 8. AND BE IT FURTHER ENACTED, That, on or before December 1, 2009, the Public Service Commission shall provide a status report to the Governor and the General Assembly, subject to § 2-1246 of the State Government Article, which includes a review of the implementation of this Act, the availability and development of each type of Tier 1 renewable energy source, the impact on the price of Tier 1 renewable energy sources, the amount of compliance fees paid by electricity suppliers each year for noncompliance with Tier 1 and Tier 2 renewable energy sources, and the use of these compliance fees to support the creation of new Tier 1 renewable energy sources.”;

and in line 34, strike “5.” and substitute “9.”.

On page 20, in lines 14 and 16, strike “6.” and “7.”, respectively, and substitute “10.” and “11.”, respectively; and in line 17, strike “6.” and substitute “10.”.