
By: **Senator Klausmeier**

Introduced and read first time: February 4, 2005

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Electricity Regulation - Renewable Energy Sources - Incineration of**
3 **Poultry Litter**

4 FOR the purpose of altering certain definitions so that incineration of poultry litter is
5 a Tier 1 renewable source rather than a Tier 2 renewable source for certain
6 purposes; clarifying the eligibility of poultry litter for inclusion in meeting
7 certain standards; and generally relating to incineration of poultry litter as a
8 renewable energy source.

9 BY repealing and reenacting, with amendments,
10 Article - Public Utility Companies
11 Section 7-701(l) and (m)
12 Annotated Code of Maryland
13 (1998 Volume and 2004 Supplement)
14 (As enacted by Chapter 488 of the Acts of the General Assembly of 2004)

15 BY repealing and reenacting, with amendments,
16 Article - Public Utility Companies
17 Section 7-704(a)
18 Annotated Code of Maryland
19 (1998 Volume and 2004 Supplement)

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

22 **Article - Public Utility Companies**

23 7-701.

24 (l) "Tier 1 renewable source" means one or more of the following types of
25 energy sources:

26 (1) solar;

- 1 (2) wind;
- 2 (3) qualifying biomass;
- 3 (4) methane from the anaerobic decomposition of organic materials in a
4 landfill or wastewater treatment plant;
- 5 (5) geothermal;
- 6 (6) ocean, including energy from waves, tides, currents, and thermal
7 differences;
- 8 (7) a fuel cell that produces electricity from a Tier 1 renewable source
9 under item (3) or (4) of this subsection; [and]
- 10 (8) a small hydroelectric power plant of less than 30 megawatts in
11 capacity that is licensed or exempt from licensing by the Federal Energy Regulatory
12 Commission; AND

13 (9) INCINERATION OF POULTRY LITTER.

14 (m) "Tier 2 renewable source" means one or more of the following types of
15 energy sources:

- 16 (1) hydroelectric power other than pump storage generation; AND
- 17 (2) [incineration of poultry litter, if the Maryland Energy Administration
18 and the Maryland Department of Agriculture determine that there is a sufficient
19 quantity of poultry litter available for the economic viability of any existing and
20 operating entity that is sited on the Delmarva Peninsula and that, as of July 1, 2004,
21 processes and pasteurizes chicken litter as fertilizer; and
- 22 (3)] waste-to-energy.

23 7-704.

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

25 (i) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS
26 SUBSECTION, is eligible for inclusion in meeting the renewable energy portfolio
27 standard regardless of when the generating system or facility was placed in service;
28 and

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

31 (2) Energy from a Tier 1 renewable source under § 7-701(1)(8) of this
32 subtitle is eligible for inclusion in meeting the renewable energy portfolio if it is
33 generated at a dam that existed as of January 1, 2004, even if a system or facility that
34 is capable of generating electricity did not exist on that date.

1 (3) ENERGY FROM A TIER 1 RENEWABLE SOURCE UNDER § 7-701(L)(9) OF
2 THIS SUBTITLE IS ELIGIBLE FOR INCLUSION IN MEETING THE RENEWABLE ENERGY
3 PORTFOLIO IF THE ENERGY ADMINISTRATION AND THE DEPARTMENT OF
4 AGRICULTURE DETERMINE THAT THERE IS A SUFFICIENT QUANTITY OF POULTRY
5 LITTER FOR THE ECONOMIC VIABILITY OF ANY EXISTING OR OPERATING FACILITY
6 THAT:

7 (I) IS ON THE DELMARVA PENINSULA; AND

8 (II) AS OF JULY 1, 2004, PROCESSED AND PASTEURIZED POULTRY
9 LITTER AS FERTILIZER.

10 (4) (i) Energy from a Tier 2 renewable source under § 7-701(m)(1) or
11 [(3)] (2) of this subtitle is eligible for inclusion in meeting the renewable energy
12 portfolio standard through 2018 if it is generated at a system or facility that existed
13 and was operational as of January 1, 2004, even if the facility or system was not
14 capable of generating electricity on that date.

15 (ii) Energy from a Tier [2] 1 renewable source under [§
16 7-701(m)(2)] PARAGRAPH (3) of this [subtitle] SUBSECTION is eligible for inclusion in
17 meeting the renewable energy portfolio standard regardless of when the generating
18 system was placed in service.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2005.