

HOUSE BILL 258

C5

2lr1042

By: **Delegate Haddaway–Ricchio**

Introduced and read first time: January 27, 2012

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Sale or Transfer of Solar Renewable**
3 **Energy Credits – Elimination of Minimum Required Term**

4 FOR the purpose of eliminating the minimum required term for certain contracts
5 involving the sale or transfer of solar renewable energy credits; and generally
6 relating to solar renewable energy credits.

7 BY repealing and reenacting, without amendments,
8 Article – Public Utilities
9 Section 7–709(a) and (b)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2011 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Public Utilities
14 Section 7–709(c)
15 Annotated Code of Maryland
16 (2010 Replacement Volume and 2011 Supplement)

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 7–709.

21 (a) An electricity supplier may use accumulated renewable energy credits to
22 meet the renewable energy portfolio standard, including credits created by a
23 renewable on–site generator.

24 (b) A renewable energy credit may be sold or otherwise transferred.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) [(i) If an electricity supplier purchases solar renewable energy
2 credits directly from a renewable on-site generator to meet the solar component of the
3 Tier 1 renewable energy portfolio standard, the duration of the contract term for the
4 solar renewable energy credits may not be less than 15 years.

5 (ii) The minimum required term under subparagraph (i) of this
6 paragraph does not affect the ability of the parties to negotiate a price for a solar
7 renewable energy credit that varies over time in any manner.

8 (2) (i) An electricity supplier that purchases solar renewable
9 energy credits from a renewable on-site generator with a capacity not exceeding 10
10 kilowatts shall purchase the credits with a single initial payment representing the full
11 estimated production of the system for the life of the contract.

12 [(ii) (2) The Commission shall:

13 [1.] (I) develop a method for estimating annual
14 production from the type of system described in [subparagraph (i)] PARAGRAPH (1) of
15 this [paragraph] SUBSECTION and allocating the credits to the electricity supplier in
16 a manner that is consistent with the duration of the contract; and

17 [2.] (II) determine the rate for a payment made to a
18 renewable on-site generator under [subparagraph (i)] PARAGRAPH (1) of this
19 [paragraph] SUBSECTION.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2012.