2lr2045CF SB 652

By: Delegates Jameson, Hucker, Afzali, Barkley, Barve, Beitzel, Carr, Eckardt, Elliott, Feldman, Jacobs, Krebs, Love, McComas, Murphy, Myers, Norman, Otto, Serafini, Stein, Stocksdale, and Wood

Introduced and read first time: February 10, 2012

Assigned to: Economic Matters

AN ACT concerning

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A BILL ENTITLED

2 3	Renewable Energy Portfolio Standard – Renewable Energy Credits – Geothermal Heating and Cooling									
4	FOR the purpose of specifying that energy generated from a geothermal heating and									
5	cooling system is eligible for inclusion in meeting the renewable energy portfolio									
6	standard; entitling a certain person or entity to receive a renewable energ									
7	credit under certain circumstances; specifying the method by which energy									
8	generation and consumption shall be measured; requiring geothermal heating									
9	and cooling system installation to comply with certain standards; defining a									
10	certain term; altering the definition of a certain term; and generally relating to									
11	geothermal heating and cooling systems.									
12	BY repealing and reenacting, without amendments,									
13	Article – Public Utilities									
14	Section 7–701(a)									
15	Annotated Code of Maryland									
16	(2010 Replacement Volume and 2011 Supplement)									
17	BY adding to									
18	Article – Public Utilities									
19	Section 7–701(c–1) and 7–704(h)									
20	Annotated Code of Maryland									
21	(2010 Replacement Volume and 2011 Supplement)									
22	BY repealing and reenacting, with amendments,									
23	Article – Public Utilities									

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

(2010 Replacement Volume and 2011 Supplement)

[Brackets] indicate matter deleted from existing law.

Section 7–701(l)

Annotated Code of Maryland



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

3 Article – Public Utilities

- $4 \quad 7-701.$
- 5 (a) In this subtitle the following words have the meanings indicated.
- 6 (C-1) "GEOTHERMAL HEATING AND COOLING SYSTEM" MEANS A SYSTEM 7 THAT:
- 8 (1) EXCHANGES THERMAL ENERGY FROM GROUNDWATER OR A
- 9 SHALLOW GROUND SOURCE TO GENERATE THERMAL ENERGY THROUGH A
- 10 GEOTHERMAL HEAT PUMP OR A SYSTEM OF GEOTHERMAL HEAT PUMPS
- 11 INTERCONNECTED WITH ANY GEOTHERMAL EXTRACTION FACILITY THAT IS:
- 12 (I) A CLOSED LOOP OR A SERIES OF CLOSED LOOP SYSTEMS
- 13 IN WHICH FLUID IS PERMANENTLY CONFINED WITHIN A PIPE OR TUBING AND
- 14 DOES NOT COME IN CONTACT WITH THE OUTSIDE ENVIRONMENT; OR
- 15 (II) AN OPEN LOOP SYSTEM IN WHICH GROUND OR SURFACE
- 16 WATER IS CIRCULATED IN AN ENVIRONMENTALLY SAFE MANNER DIRECTLY
- 17 INTO THE FACILITY AND RETURNED TO THE SAME AQUIFER OR SURFACE WATER
- 18 **SOURCE**;
- 19 (2) MEETS OR EXCEEDS THE CURRENT FEDERAL ENERGY STAR
- 20 PRODUCT SPECIFICATION STANDARDS;
- 21 (3) REPLACES OR DISPLACES INEFFICIENT SPACE OR WATER
- 22 HEATING SYSTEMS WHOSE PRIMARY FUEL IS ELECTRICITY OR A NONNATURAL
- 23 GAS FUEL SOURCE;
- 24 (4) REPLACES OR DISPLACES INEFFICIENT SPACE COOLING
- 25 SYSTEMS THAT DO NOT MEET FEDERAL ENERGY STAR PRODUCT
- 26 SPECIFICATION STANDARDS;
- 27 (5) IS MANUFACTURED, INSTALLED, AND OPERATED IN
- 28 ACCORDANCE WITH APPLICABLE GOVERNMENT AND INDUSTRY STANDARDS;
- 29 AND

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(6) DOES NOT FEED ELECTRICITY BACK TO THE GRID.

- "Tier 1 renewable source" means one or more of the following types of 1 (1) 2 energy sources: 3 (1) solar energy, including energy from photovoltaic technologies and solar water heating systems; 4 5 (2) wind; 6 qualifying biomass; (3)7 (4) methane from the anaerobic decomposition of organic materials in 8 a landfill or wastewater treatment plant; 9 geothermal, INCLUDING ENERGY (5)GENERATED THROUGH **EXCHANGE** 10 **GEOTHERMAL** FROM OR THERMAL ENERGY AVOIDED BY, 11 GROUNDWATER OR A SHALLOW GROUND SOURCE; 12 ocean, including energy from waves, tides, currents, and thermal (6) 13 differences: 14 a fuel cell that produces electricity from a Tier 1 renewable source under item (3) or (4) of this subsection; 15 16 a small hydroelectric power plant of less than 30 megawatts in capacity that is licensed or exempt from licensing by the Federal Energy Regulatory 17 Commission: 18 poultry litter-to-energy; 19 (9)20 (10)waste-to-energy; and refuse-derived fuel. 21(11)7 - 704. 22 23 (H) ENERGY FROM A GEOTHERMAL HEATING AND COOLING **(1)** SYSTEM IS ELIGIBLE FOR INCLUSION IN MEETING THE RENEWABLE ENERGY 24PORTFOLIO STANDARD. 25
- 26 (2) A PERSON SHALL RECEIVE A RENEWABLE ENERGY CREDIT
 27 EQUAL TO THE AMOUNT OF ENERGY, CONVERTED FROM BTUS TO
 28 KILOWATT-HOURS, THAT IS GENERATED BY A GEOTHERMAL HEATING AND
 29 COOLING SYSTEM FOR SPACE HEATING AND COOLING OR WATER HEATING IF
 30 THE PERSON:

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(II) LEASES AND OPERATES THE SYSTEM; OR								
(III) CONTRACTS WITH A THIRD PARTY WHO OWNS AND								
OPERATES THE SYSTEM.								
(3) THE TOTAL AMOUNT OF ENERGY GENERATED AND CONSUMED								
FOR A GEOTHERMAL HEATING AND COOLING SYSTEM SHALL BE MEASURED BY								
AN ONSITE METER FOR THE SYSTEM'S COEFFICIENT OF PERFORMANCE.								
(4) A GEOTHERMAL HEATING AND COOLING SYSTEM SHALL BE								
INSTALLED IN ACCORDANCE WITH APPLICABLE STATE WELL CONSTRUCTION								
AND LOCAL BUILDING CODE STANDARDS.								
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply only								
to geothermal heating and cooling systems that are commissioned on or after July 1								
2012.								
SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect								
October 1, 2012.								