

# HOUSE BILL 1186

C5

2lr2045  
CF SB 652

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

Introduced and read first time: February 10, 2012

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Renewable Energy**  
3 **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 energy  
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  
24 Section 7–701(l)  
25 Annotated Code of Maryland  
26 (2010 Replacement Volume and 2011 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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 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

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



1                   **(II) LEASES AND OPERATES THE SYSTEM; OR**

2                   **(III) CONTRACTS WITH A THIRD PARTY WHO OWNS AND**  
3 **OPERATES THE SYSTEM.**

4                   **(3) THE TOTAL AMOUNT OF ENERGY GENERATED AND CONSUMED**  
5 **FOR A GEOTHERMAL HEATING AND COOLING SYSTEM SHALL BE MEASURED BY**  
6 **AN ONSITE METER FOR THE SYSTEM'S COEFFICIENT OF PERFORMANCE.**

7                   **(4) A GEOTHERMAL HEATING AND COOLING SYSTEM SHALL BE**  
8 **INSTALLED IN ACCORDANCE WITH APPLICABLE STATE WELL CONSTRUCTION**  
9 **AND LOCAL BUILDING CODE STANDARDS.**

10                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply only  
11 to geothermal heating and cooling systems that are commissioned on or after July 1,  
12 2012.

13                   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 2012.