

HOUSE BILL 1276

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By: **Delegates Clippinger and Stein**

Introduced and read first time: February 12, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Universal Service Program – Solar Procurement Study**

3 FOR the purpose of requiring the Public Service Commission to study and make
4 recommendations about the advisability of establishing a requirement for procuring
5 a portion of the electricity supply for participants in the Electric Universal Service
6 Program from certain solar and other carbon-free or low-carbon renewable sources;
7 establishing the required elements of the study; requiring the Commission to
8 convene certain workgroups to assist in conducting the study; requiring all State and
9 local agencies to cooperate with the Commission on request in the conduct of the
10 study; requiring the Commission to report certain recommendations by a certain
11 date to the Senate Finance Committee and the House Economic Matters Committee;
12 providing for the termination of this Act; and generally relating to the solar energy
13 and affordable electricity supply.

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
15 That:

16 (a) The Public Service Commission shall study and make recommendations about
17 the advisability of establishing a requirement for procuring a portion of the electricity
18 supply for participants in the Electric Universal Service Program from affordable solar
19 photovoltaic sources and other carbon-free or low-carbon renewable sources.

20 (b) The study shall include exploration and evaluation of options concerning:

21 (1) the needs and locations of Program participants;

22 (2) siting appropriate solar and other renewable generation equipment
23 most conveniently and efficiently for distribution to Program participants, including
24 establishment of community generation facilities as may be appropriate, and other
25 engineering and technical aspects of siting and deploying the facilities;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) methods for financing the acquisition, installation, and use of
2 appropriate solar and other renewable sources to provide electricity for Program
3 participants;

4 (4) the availability of federal and State tax credits and similar incentives
5 to minimize the overall cost and rate impact of solar and other renewable generation
6 equipment options for Program participants;

7 (5) the means to integrate procurement of electricity from solar and other
8 renewable sources for Program participants, whether through the standard offer service
9 procurement process, alternative blended supply contracts, aggregation of electricity
10 demand by Program participants, governmental aggregation, or any other appropriate
11 means;

12 (6) the use of innovative power purchase agreements to procure electricity
13 for Program participants so as to maximize the use and availability of solar and other
14 carbon-free or low-carbon renewable sources of electric generation to serve Program
15 participants;

16 (7) the impact of the procurement on other electric ratepayers in the State
17 and means to minimize any adverse effect on their electricity supply costs;

18 (8) the potential of aggregated demand for solar and other carbon-free or
19 low-carbon renewable sources to increase the attractiveness of the State to developers and
20 manufacturers of renewable energy generation equipment and related industries; and

21 (9) the appropriate structure of governmental oversight and procedures to
22 make electricity generated by solar and other renewable sources available and affordable
23 for Program participants, including identification of State and local agencies that would be
24 charged with implementing and being responsible for the administration of a program of
25 affordable electricity from solar and other renewable sources for Program participants.

26 (c) The Commission shall convene one or more workgroups of interested parties
27 to assist in conducting the study and developing recommendations.

28 (d) All State and local agencies shall cooperate with the Commission on request
29 in the conduct of the study, including preparing and making available data useful for the
30 study items and helpful background material.

31 (e) (1) On or before July 1, 2017, the Commission shall report the results of
32 the study and its recommendations, in accordance with § 2-1246 of the State Government
33 Article, to the Senate Finance Committee and the House Economic Matters Committee.

34 (2) The recommendations shall include any proposed legislative and
35 regulatory changes needed to accomplish the recommendations made.

1 (3) The Commission may provide one or more interim reports as needed or
2 otherwise appropriate, including any recommendations regarding changes to the scope,
3 method, or other aspects of the study, to the committees.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2016. It shall remain effective for a period 1 year and 1 month and, at the end of June
6 30, 2017, with no further action required by the General Assembly, this Act shall be
7 abrogated and of no further force and effect.