

SENATE BILL 350

M5, C5

9lr1816
CF 9lr1474

By: **Senators Klausmeier, Beidle, Hayes, and Reilly**

Introduced and read first time: January 30, 2019

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Tier 1 Eligibility**

3 FOR the purpose of altering the definition of a “Tier 1 renewable source” for purposes of
4 the renewable energy portfolio standard; adding certain hydroelectric power as a
5 Tier 1 renewable source; repealing an obsolete definition; repealing obsolete
6 language; providing for the application of this Act; and generally relating to the
7 renewable energy portfolio standard.

8 BY repealing and reenacting, without amendments,
9 Article – Public Utilities
10 Section 7–701(a)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2018 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Public Utilities
15 Section 7–701(r) and 7–704(a)
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2018 Supplement)

18 BY repealing
19 Article – Public Utilities
20 Section 7–701(s)
21 Annotated Code of Maryland
22 (2010 Replacement Volume and 2018 Supplement)

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

25 **Article – Public Utilities**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 7-701.

2 (a) In this subtitle the following words have the meanings indicated.

3 (r) "Tier 1 renewable source" means one or more of the following types of energy
4 sources:

5 (1) solar energy, including energy from photovoltaic technologies and solar
6 water heating systems;

7 (2) wind;

8 (3) qualifying biomass;

9 (4) methane from the anaerobic decomposition of organic materials in a
10 landfill or wastewater treatment plant;

11 (5) geothermal, including energy generated through geothermal exchange
12 from or thermal energy avoided by, groundwater or a shallow ground source;

13 (6) ocean, including energy from waves, tides, currents, and thermal
14 differences;

15 (7) a fuel cell that produces electricity from a Tier 1 renewable source
16 under item (3) or (4) of this subsection;

17 (8) [a small] hydroelectric power [plant of less than 30 megawatts in
18 capacity that is licensed or exempt from licensing by the Federal Energy Regulatory
19 Commission] **OTHER THAN PUMP STORAGE GENERATION**;

20 (9) poultry litter-to-energy;

21 (10) waste-to-energy;

22 (11) refuse-derived fuel; and

23 (12) thermal energy from a thermal biomass system.

24 [(s) "Tier 2 renewable source" means hydroelectric power other than pump storage
25 generation.]

26 7-704.

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

28 (i) is eligible for inclusion in meeting the renewable energy portfolio
29 standard regardless of when the generating system or facility was placed in service; and

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

3 (2) (i) Energy from a Tier 1 renewable source under § 7–701(r)(1), (5),
4 (9), (10), or (11) of this subtitle is eligible for inclusion in meeting the renewable energy
5 portfolio standard only if the source is connected with the electric distribution grid serving
6 Maryland.

7 (ii) If the owner of a solar generating system in this State chooses to
8 sell solar renewable energy credits from that system, the owner must first offer the credits
9 for sale to an electricity supplier or electric company that shall apply them toward
10 compliance with the renewable energy portfolio standard under § 7–703 of this subtitle.

11 (3) Energy from a Tier 1 renewable source under § 7–701(r)(8) of this
12 subtitle is eligible for inclusion in meeting the renewable energy portfolio standard if it is
13 generated at a dam that existed as of January 1, 2004, even if a system or facility that is
14 capable of generating electricity did not exist on that date.

15 [(4) Energy from a Tier 2 renewable source under § 7–701(s) of this subtitle
16 is eligible for inclusion in meeting the renewable energy portfolio standard through 2018 if
17 it is generated at a system or facility that existed and was operational as of January 1,
18 2004, even if the facility or system was not capable of generating electricity on that date.]

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
20 1, 2019, and shall apply to all renewable portfolio standard compliance years that begin on
21 or after January 1, 2020.