

SB0065/773192/1

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL 65
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Qualifying**” and substitute “**Tier 2 Renewable Sources, Qualifying**”; in the same line, after “**Biomass**” insert “**, and Compliance Fees**”; in line 3, after the first “of” insert “altering the renewable energy portfolio standard for certain years; extending the eligibility of certain Tier 2 renewable sources for purposes of the renewable energy portfolio standard in certain years; altering the compliance fee for a shortfall from the required percentage of energy from certain Tier 1 renewable sources for the renewable energy portfolio standard in certain years;”; in line 7, after “Act;” insert “providing for the effective dates of this Act; making a conforming change;”; in line 11, strike “and” and substitute a comma; in the same line, after “(s)” insert “, and (t)”; in line 16, strike “and” and substitute “, 7-703(b)(16) through (25).”; and in the same line, after “7-704(a)” insert “, and 7-705(b)(2)”.

AMENDMENT NO. 2

On page 1, after line 20, insert:

“Article – Public Utilities

7-701.

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

(t) “Tier 2 renewable source” means hydroelectric power other than pump storage generation.

7-703.

(Over)

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(b) Except as provided in subsection (e) of this section, the renewable energy portfolio standard shall be as follows:

(16) in 2021[.]:

(I) 30.8% from Tier 1 renewable sources, including:

[(i)] 1. at least 7.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(17) in 2022[, 33.1%]:

(I) 30.1% from Tier 1 renewable sources, including:

[(i)] 1. at least [8.5%] 5.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(18) in 2023[, 35.4%]:

(I) 31.9% from Tier 1 renewable sources, including:

[(i)] 1. at least [9.5%] 6% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

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(19) in 2024[, 37.7%]:

(I) 33.7% from Tier 1 renewable sources, including:

[(i)] 1. at least [10.5%] 6.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(20) in 2025[, 40%]:

(I) 35.5% from Tier 1 renewable sources, including:

[(i)] 1. at least [11.5%] 7% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle, not to exceed 10%, derived from offshore wind energy; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(21) in 2026[, 42.5%]:

(I) 38% from Tier 1 renewable sources, including:

[(i)] 1. at least [12.5%] 8% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy, including at least 400 megawatts of Round 2 offshore wind projects; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(22) in 2027[, 45.5%]:

(Over)

(I) 41.5% from Tier 1 renewable sources, including:

[(i)] 1. at least [13.5%] 9.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy, including at least 400 megawatts of Round 2 offshore wind projects; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(23) in 2028[, 47.5%]:

(I) 43% from Tier 1 renewable sources, including:

[(i)] 1. at least [14.5%] 11% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy, including at least 800 megawatts of Round 2 offshore wind projects; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES;

(24) in 2029[, 49.5%]:

(I) 47.5% from Tier 1 renewable sources, including:

[(i)] 1. at least [14.5%] 12.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy, including at least 800 megawatts of Round 2 offshore wind projects; and

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES; AND

(25) in 2030 and later[,]:

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(I) 50% from Tier 1 renewable sources, including:

[(i)] 1. at least 14.5% derived from solar energy; and

[(ii)] 2. an amount set by the Commission under § 7-704.2(a) of this subtitle derived from offshore wind energy, including at least 1,200 megawatts of Round 2 offshore wind projects; AND

(II) 2.5% FROM TIER 2 RENEWABLE SOURCES.

7-705.

(b) (2) If an electricity supplier fails to comply with the renewable energy portfolio standard for the applicable year, the electricity supplier shall pay into the Maryland Strategic Energy Investment Fund established under § 9-20B-05 of the State Government Article:

(i) except as provided in item (ii) of this paragraph, a compliance fee of:

1. the following amounts for each kilowatt-hour of shortfall from required Tier 1 renewable sources other than the shortfall from the required Tier 1 renewable sources that is to be derived from solar energy:

A. 4 cents through 2016;

B. 3.75 cents in 2017 and 2018;

C. 3 cents in 2019 through 2023;

D. 2.75 cents in 2024;

E. 2.5 cents in 2025;

F. 2.475 cents in 2026;

G. 2.45 cents in 2027;

(Over)

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- H. 2.25 cents in 2028 and 2029; and
- I. 2.235 cents in 2030 and later;
- 2. the following amounts for each kilowatt-hour of shortfall from required Tier 1 renewable sources that is to be derived from solar energy:
 - A. 45 cents in 2008;
 - B. 40 cents in 2009 through 2014;
 - C. 35 cents in 2015 and 2016;
 - D. 19.5 cents in 2017;
 - E. 17.5 cents in 2018;
 - F. 10 cents in 2019;
 - G. 10 cents in 2020;
 - H. 8 cents in 2021;
 - I. 6 cents in 2022;
 - J. [4.5] 6 cents in 2023;
 - K. [4] 6 cents in 2024;
 - L. [3.5] 5.5 cents in 2025;
 - M. [3] 4.5 cents in 2026;
 - N. [2.5] 3.5 cents in 2027 [and 2028];
 - O. [2.25] 3.25 cents in [2029] 2028; [and]
 - P. [2.235] 2.5 cents in [2030 and later] 2029; and

Q. 2.25 CENTS IN 2030 AND LATER; AND

3. 1.5 cents for each kilowatt-hour of shortfall from required Tier 2 renewable sources; or

(ii) for industrial process load:

1. for each kilowatt-hour of shortfall from required Tier 1 renewable sources, a compliance fee of:

A. 0.8 cents in 2006, 2007, and 2008;

B. 0.5 cents in 2009 and 2010;

C. 0.4 cents in 2011 and 2012;

D. 0.3 cents in 2013 and 2014;

E. 0.25 cents in 2015 and 2016; and

F. except as provided in paragraph (3) of this subsection, 0.2 cents in 2017 and later; and

2. nothing for any shortfall from required Tier 2 renewable sources.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:”.

On page 4, in line 15, strike “through 2020”; in line 18, strike “2.” and substitute “3.”; in line 20, strike “3.” and substitute “4.”; in the same line, after “That” insert “Section 2 of”; and after line 22, insert:

“SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect June 1, 2020.”.