

SENATE BILL 549

M5, C5, M3

11r0056
CF HB 682

By: **Senators Hershey and Edwards**

Introduced and read first time: January 26, 2021

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Thermal Biomass Systems**

3 FOR the purpose of authorizing certain biomass systems primarily fueled with qualifying
4 biomass other than animal manure to be eligible for renewable energy credits;
5 altering the definition of “thermal biomass system”; and generally relating to the
6 renewable energy portfolio standard and thermal biomass systems.

7 BY repealing and reenacting, without amendments,

8 Article – Public Utilities

9 Section 7–701(a) and 7–704(i)

10 Annotated Code of Maryland

11 (2020 Replacement Volume and 2020 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Public Utilities

14 Section 7–701(r)

15 Annotated Code of Maryland

16 (2020 Replacement Volume and 2020 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – Public Utilities**

20 7–701.

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

22 (r) “Thermal biomass system” means a system that:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (1) uses **AS FUEL**:
- 2 (i) [primarily] animal manure, including poultry litter, and
3 associated bedding to generate thermal energy; [and]
- 4 (ii) [food waste or] qualifying biomass [for the remainder of the
5 feedstock]; **OR**
- 6 **(III) FOOD WASTE;**
- 7 (2) is used in the State; and
- 8 (3) complies with all applicable State and federal statutes and regulations,
9 as determined by the appropriate regulatory authority.

10 7–704.

11 (i) (1) Energy from a thermal biomass system is eligible for inclusion in
12 meeting the renewable energy portfolio standard.

13 (2) (i) A person that owns and operates a thermal biomass system that
14 uses anaerobic digestion is eligible to receive a renewable energy credit.

15 (ii) A person that owns and operates a thermal biomass system that
16 uses a thermochemical process is eligible to receive a renewable energy credit if the person
17 demonstrates to the Maryland Department of the Environment that the operation of the
18 thermal biomass system:

19 1. is not significantly contributing to local or regional air
20 quality impairments; and

21 2. will substantially decrease emissions of oxides of nitrogen
22 beyond that achieved by a direct burn combustion unit through the use of precombustion
23 techniques, combustion techniques, or postcombustion techniques.

24 (3) A person that is eligible to receive a renewable energy credit under
25 paragraph (2) of this subsection shall receive a renewable energy credit equal to the amount
26 of energy, converted from BTUs to kilowatt–hours, that is generated by the thermal
27 biomass system and used on site.

28 (4) The total amount of energy generated and consumed for a residential,
29 nonresidential, or commercial thermal biomass system shall be measured by an on–site
30 meter that meets the required performance standards established by the Commission.

31 (5) The Commission shall adopt regulations for the metering, verification,
32 and reporting of the output of thermal biomass systems.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2021.