

SB0937/823825/1

BY: Senator Hershey

AMENDMENTS TO SENATE BILL 937, AS AMENDED
(First Reading File Bill)

AMENDMENT NO. 1

On page 2 of the Committee on Education, Energy, and the Environment Amendments (SB0937/343121/1), in line 24 of Amendment No. 1, strike “authorized”.

On page 3 of the Committee on Education, Energy, and the Environment Amendments, in line 18 of Amendment No. 1, strike “and”; and in the same line, after “7-704(a)” insert “, and 7-705(b)”.

AMENDMENT NO. 2

On page 5 of the bill, before line 4, insert:

“7-705.

(b) (1) This subsection does not apply to a shortfall from the required Tier 1 renewable sources that is to be derived from post-2022 geothermal systems.

(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:

Hershey

- 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;
- 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. 6 cents in 2023;
 - K. 6 cents in 2024;
 - L. 5.5 cents in 2025;
 - M. 4.5 cents in 2026;
 - N. 3.5 cents in 2027;
 - O. 3.25 cents in 2028;
 - P. 2.5 cents in 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.

(3) For industrial process load, the compliance fee for each kilowatt-hour of shortfall from required Tier 1 renewable sources is nothing for the year following any year during which, after final calculations, the net rate impact per megawatt-hour from Round 1 offshore wind projects exceeded \$1.65 in 2012 dollars.

(4) THE COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SUBSECTION, INCLUDING REGULATIONS DEFINING RULES TO FACILITATE AND ENSURE THE SECURE AND TRANSPARENT TRANSFER OF ALL COMPLIANCE FEE PAYMENTS TO ELECTRIC COMPANIES TO BE DISTRIBUTED BACK TO DISTRIBUTION CUSTOMERS ON AN ANNUAL BASIS.

On page 42 of the Committee on Education, Energy, and the Environment Amendments, strike beginning with “Except” in line 2 of Amendment No. 2 down through “**PARAGRAPH**” in line 23 and substitute “**IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE PUBLIC SERVICE COMMISSION**”; and in line 24,

strike "MAY BE USED TO PROVIDE GRANTS" and substitute "SHALL BE TRANSFERRED".

On page 43 of the Committee on Education, Energy, and the Environment Amendments, in line 1 of Amendment No. 2, strike "RESIDENTIAL"; in line 4, strike "(II)" and substitute "(2)"; strike beginning with "THE" in line 4 down through "(IV)" in line 14; strike beginning with "PROCESS" in line 14 down through "THE" in line 15; in line 16, strike "RESIDENTIAL"; and in the same line, after "CUSTOMERS" insert "UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH".