

HOUSE BILL 258

C5

2lr1042

By: **Delegate Haddaway–Riccio**

Introduced and read first time: January 27, 2012

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2012

CHAPTER _____

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Sale or Transfer of Solar Renewable**
3 **Energy Credits – ~~Elimination~~ of Minimum Required Term**

4 FOR the purpose of ~~eliminating the~~ providing that a certain minimum required term
5 for certain contracts between an electricity supplier and a renewable on-site
6 generator involving the sale or transfer of solar renewable energy credits
7 applies only to contracts with an on-site generator that exceeds a certain
8 capacity; and generally relating to solar renewable energy credits.

9 BY repealing and reenacting, without amendments,
10 Article – Public Utilities
11 Section 7–709(a) and (b)
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2011 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Public Utilities
16 Section 7–709(c)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2011 Supplement)

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

21 **Article – Public Utilities**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 7-709.

2 (a) An electricity supplier may use accumulated renewable energy credits to
3 meet the renewable energy portfolio standard, including credits created by a
4 renewable on-site generator.

5 (b) A renewable energy credit may be sold or otherwise transferred.

6 (c) (1) ~~¶(i)~~ If an electricity supplier purchases solar renewable energy
7 credits directly from a renewable on-site generator WITH A CAPACITY THAT
8 EXCEEDS 10 KILOWATTS to meet the solar component of the Tier 1 renewable energy
9 portfolio standard, the duration of the contract term for the solar renewable energy
10 credits may not be less than 15 years.

11 (ii) The minimum required term under subparagraph (i) of this
12 paragraph does not affect the ability of the parties to negotiate a price for a solar
13 renewable energy credit that varies over time in any manner.

14 (2) (i) ~~¶~~ An electricity supplier that purchases solar renewable
15 energy credits from a renewable on-site generator with a capacity not exceeding 10
16 kilowatts shall purchase the credits with a single initial payment representing the full
17 estimated production of the system for the life of the contract.

18 ~~¶(ii)~~ ~~(2)~~ The Commission shall:

19 ~~¶1.~~ ~~(1)~~ develop a method for estimating annual
20 production from the type of system described in ~~¶subparagraph (i)~~ ~~PARAGRAPH (1)~~ of
21 this ~~¶paragraph~~ ~~SUBSECTION~~ and allocating the credits to the electricity supplier in
22 a manner that is consistent with the duration of the contract; and

23 ~~¶2.~~ ~~(H)~~ determine the rate for a payment made to a
24 renewable on-site generator under ~~¶subparagraph (i)~~ ~~PARAGRAPH (1)~~ of this
25 ~~¶paragraph~~ ~~SUBSECTION~~.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2012.