

Chapter 115

(House Bill 258)

AN ACT concerning

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

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

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

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

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

Article – Public Utilities

7-709.

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

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

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

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

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

~~{(ii)}~~ ~~(2)~~ The Commission shall:

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

~~{2.}~~ ~~(II)~~ determine the rate for a payment made to a renewable on-site generator under ~~{subparagraph (i)}~~ ~~PARAGRAPH (1)~~ of this ~~{paragraph}~~ ~~SUBSECTION~~.

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

Approved by the Governor, April 10, 2012.