

# SENATE BILL 791

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By: **Senator Garagiola**

Introduced and read first time: February 3, 2012

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Solar Energy and Solar Water**  
3 **Heating Systems**

4 FOR the purpose of altering the minimum required percentage of Tier 1 renewable  
5 energy that must be derived from solar energy in the State's renewable energy  
6 portfolio standard in certain years; authorizing the Public Service Commission,  
7 in consultation with the Maryland Energy Administration, to identify an  
8 equivalent certification for measurement for energy generated by certain solar  
9 water heating systems for certain purposes; authorizing the Commission, in  
10 consultation with the Administration, to approve an equivalent certification  
11 body to set certain standards; providing for the application of this Act; and  
12 generally relating to solar energy.

13 BY repealing and reenacting, with amendments,  
14 Article – Public Utilities  
15 Section 7–703 and 7–704(g)  
16 Annotated Code of Maryland  
17 (2010 Replacement Volume and 2011 Supplement)

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

20 **Article – Public Utilities**

21 7–703.

22 (a) (1) (i) The Commission shall implement a renewable energy  
23 portfolio standard that, except as provided under paragraph (2) of this subsection,  
24 applies to all retail electricity sales in the State by electricity suppliers.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) If the standard becomes applicable to electricity sold to a  
2 customer after the start of a calendar year, the standard does not apply to electricity  
3 sold to the customer during that portion of the year before the standard became  
4 applicable.

5 (2) A renewable energy portfolio standard may not apply to electricity  
6 sales at retail by any electricity supplier:

7 (i) in excess of 300,000,000 kilowatt–hours of industrial process  
8 load to a single customer in a year;

9 (ii) to residential customers in a region of the State in which  
10 electricity prices for residential customers are subject to a freeze or cap contained in a  
11 settlement agreement entered into under § 7–505 of this title until the freeze or cap  
12 has expired; or

13 (iii) to a customer served by an electric cooperative under an  
14 electricity supplier purchase agreement that existed on October 1, 2004, until the  
15 expiration of the agreement.

16 (b) The renewable energy portfolio standard shall be as follows:

17 (1) in 2006, 1% from Tier 1 renewable sources and 2.5% from Tier 2  
18 renewable sources;

19 (2) in 2007, 1% from Tier 1 renewable sources and 2.5% from Tier 2  
20 renewable sources;

21 (3) in 2008, 2.005% from Tier 1 renewable sources, including at least  
22 0.005% derived from solar energy, and 2.5% from Tier 2 renewable sources;

23 (4) in 2009, 2.01% from Tier 1 renewable sources, including at least  
24 0.01% derived from solar energy, and 2.5% from Tier 2 renewable sources;

25 (5) in 2010, 3.025% from Tier 1 renewable sources, including at least  
26 0.025% derived from solar energy, and 2.5% from Tier 2 renewable sources;

27 (6) in 2011, 5.0% from Tier 1 renewable sources, including at least  
28 0.05% derived from solar energy, and 2.5% from Tier 2 renewable sources;

29 (7) in 2012, 6.5% from Tier 1 renewable sources, including at least  
30 0.1% derived from solar energy, and 2.5% from Tier 2 renewable sources;

31 (8) in 2013, 8.2% from Tier 1 renewable sources, including at least  
32 [0.2%] **0.25%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

1 (9) in 2014, 10.3% from Tier 1 renewable sources, including at least  
2 ~~[0.3%]~~ **0.35%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

3 (10) in 2015, 10.5% from Tier 1 renewable sources, including at least  
4 ~~[0.4%]~~ **0.5%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

5 (11) in 2016, 12.7% from Tier 1 renewable sources, including at least  
6 ~~[0.5%]~~ **0.7%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

7 (12) in 2017, 13.1% from Tier 1 renewable sources, including at least  
8 ~~[0.55%]~~ **0.95%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

9 (13) in 2018, 15.8% from Tier 1 renewable sources, including at least  
10 ~~[0.9%]~~ **1.40%** derived from solar energy, and 2.5% from Tier 2 renewable sources;

11 (14) in 2019, 17.4% from Tier 1 renewable sources, including at least  
12 ~~[1.2%]~~ **1.75%** derived from solar energy, and 0% from Tier 2 renewable sources;

13 (15) in 2020, 18% from Tier 1 renewable sources, including at least  
14 ~~[1.5%]~~ **2.0%** derived from solar energy, and 0% from Tier 2 renewable sources;

15 (16) in 2021, 18.7% from Tier 1 renewable sources, including at least  
16 ~~[1.85%]~~ **2.0%** derived from solar energy, and 0% from Tier 2 renewable sources; and

17 (17) in 2022 and later, 20% from Tier 1 renewable sources, including at  
18 least 2% derived from solar energy, and 0% from Tier 2 renewable sources.

19 (c) Before calculating the number of credits required to meet the percentages  
20 established under subsection (b) of this section, an electricity supplier shall exclude  
21 from its total retail electricity sales all retail electricity sales described in subsection  
22 (a)(2) of this section.

23 (d) Subject to subsections (a) and (c) of this section, an electricity supplier  
24 shall meet the renewable energy portfolio standard by accumulating the equivalent  
25 amount of renewable energy credits that equal the percentages required under this  
26 section.

27 7–704.

28 (g) (1) Energy from a solar water heating system is eligible for inclusion  
29 in meeting the renewable energy portfolio standard.

30 (2) A person that owns and operates a solar water heating system  
31 shall receive a renewable energy credit equal to the amount of energy, converted from  
32 BTUs to kilowatt–hours, that is generated by the system that is used by the person for  
33 water heating.

1           (3) The total amount of energy generated and consumed for a  
2 nonresidential or commercial solar water heating system shall be measured by an  
3 on-site meter that meets the required performance standards of the International  
4 Organization of Legal Metrology.

5           (4) The total amount of energy generated and consumed by a  
6 residential solar water heating system shall be:

7                   (i) measured by a meter that meets the required standards of  
8 the International Organization of Legal Metrology; or

9                   (ii) 1. measured by the Solar Ratings and Certification  
10 Corporation's OG-300 thermal performance rating for the system **OR AN**  
11 **EQUIVALENT CERTIFICATION THAT THE COMMISSION APPROVES IN**  
12 **CONSULTATION WITH THE ADMINISTRATION;** and

13                               2. certified to the OG-300 standard of the Solar Ratings  
14 and Certification Corporation **OR AN EQUIVALENT CERTIFICATION BODY THAT**  
15 **THE COMMISSION APPROVES IN CONSULTATION WITH THE ADMINISTRATION.**

16           (5) A residential solar water heating system shall be installed in  
17 accordance with applicable State and local plumbing codes.

18           (6) A residential solar water heating system may not produce more  
19 than five solar renewable energy credits in any 1 year.

20           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
21 construed to apply only prospectively and may not be applied or interpreted to have  
22 any effect on or application to any contract existing before the effective date of this  
23 Act.

24           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 October 1, 2012.