

HOUSE BILL 1339

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CF SB 1004

By: **Delegates McIntosh, Arora, Bobo, Cane, Cardin, Carr, Frush, Glenn, Hammen, Healey, Howard, Kramer, Lafferty, Lee, Luedtke, Stein, Summers, and Washington**

Introduced and read first time: February 16, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Renewable Energy Credits –**
3 **Qualifying Thermal Biomass Systems**

4 FOR the purpose of specifying that energy from a certain qualifying thermal biomass
5 system is eligible for inclusion in meeting the renewable energy portfolio
6 standard; specifying that a person that owns and operates a certain qualifying
7 thermal biomass system shall receive a certain renewable energy credit under
8 certain circumstances; requiring the total amount of energy generated and
9 consumed by a residential, nonresidential, or commercial qualifying thermal
10 biomass system to be measured in a certain way; requiring the Public Service
11 Commission to adopt certain regulations; defining a certain term; altering a
12 certain term; providing for a delayed effective date; and generally relating to the
13 eligibility of qualifying thermal biomass systems for inclusion in meeting the
14 renewable energy portfolio standard.

15 BY repealing and reenacting, without amendments,
16 Article – Public Utilities
17 Section 7–701(a)
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2011 Supplement)

20 BY adding to
21 Article – Public Utilities
22 Section 7–701(h–1) and 7–704(h)
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2011 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Public Utilities

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 7-701(l)
2 Annotated Code of Maryland
3 (2010 Replacement Volume and 2011 Supplement)

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

6 **Article – Public Utilities**

7 7-701.

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

9 **(H-1) “QUALIFYING THERMAL BIOMASS SYSTEM” MEANS A SYSTEM THAT:**

10 **(1) GENERATES ENERGY USING PRIMARILY FOOD WASTE, CROP**
11 **WASTE, CROPS GROWN FOR ENERGY PRODUCTION, OR ANIMAL MANURE,**
12 **INCLUDING POULTRY LITTER;**

13 **(2) PROVIDES ENERGY USED FOR SPACE HEATING OR COOLING,**
14 **WATER HEATING OR COOLING, COMBINED HEAT AND POWER, HUMIDITY**
15 **CONTROL, OR THERMAL END USE IF FUEL OR ELECTRICITY WOULD OTHERWISE**
16 **BE CONSUMED;**

17 **(3) IS LOCATED IN A FACILITY THAT IS CONNECTED TO THE**
18 **STATE’S ELECTRIC DISTRIBUTION GRID; AND**

19 **(4) HAS ALL APPLICABLE STATE AND FEDERAL PERMITS.**

20 (l) “Tier 1 renewable source” means one or more of the following types of
21 energy sources:

22 (1) solar energy, including energy from photovoltaic technologies and
23 solar water heating systems;

24 (2) wind;

25 (3) qualifying biomass, **INCLUDING QUALIFYING THERMAL**
26 **BIOMASS SYSTEMS;**

27 (4) methane from the anaerobic decomposition of organic materials in
28 a landfill or wastewater treatment plant;

29 (5) geothermal;

1 (6) ocean, including energy from waves, tides, currents, and thermal
2 differences;

3 (7) a fuel cell that produces electricity from a Tier 1 renewable source
4 under item (3) or (4) of this subsection;

5 (8) a small hydroelectric power plant of less than 30 megawatts in
6 capacity that is licensed or exempt from licensing by the Federal Energy Regulatory
7 Commission;

8 (9) poultry litter-to-energy;

9 (10) waste-to-energy; and

10 (11) refuse-derived fuel.

11 7-704.

12 **(H) (1) ENERGY FROM A QUALIFYING THERMAL BIOMASS SYSTEM IS**
13 **ELIGIBLE FOR INCLUSION IN MEETING THE RENEWABLE ENERGY PORTFOLIO**
14 **STANDARD.**

15 **(2) A PERSON THAT OWNS AND OPERATES A QUALIFYING**
16 **THERMAL BIOMASS SYSTEM SHALL RECEIVE A RENEWABLE ENERGY CREDIT**
17 **EQUAL TO THE AMOUNT OF ENERGY, CONVERTED FROM BTUS TO**
18 **KILOWATT-HOURS, THAT IS GENERATED BY THE QUALIFYING THERMAL**
19 **BIOMASS SYSTEM.**

20 **(3) THE TOTAL AMOUNT OF ENERGY GENERATED AND CONSUMED**
21 **FOR A RESIDENTIAL, NONRESIDENTIAL, OR COMMERCIAL QUALIFYING**
22 **THERMAL BIOMASS SYSTEM SHALL BE MEASURED BY AN ON-SITE METER THAT**
23 **MEETS THE REQUIRED PERFORMANCE STANDARDS OF THE INTERNATIONAL**
24 **ORGANIZATION OF LEGAL METROLOGY.**

25 **(4) THE COMMISSION SHALL ADOPT REGULATIONS FOR THE**
26 **METERING, VERIFICATION, AND REPORTING OF THE OUTPUT OF QUALIFYING**
27 **THERMAL BIOMASS SYSTEMS.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 January 1, 2013.