

SENATE BILL 373

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5lr1079
CF HB 377

By: **Senators Feldman, Madaleno, Benson, Currie, Guzzone, Kagan, King, Lee, Manno, Montgomery, Nathan–Pulliam, Pinsky, Ramirez, Raskin, Rosapepe, and Young**

Introduced and read first time: February 6, 2015

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Renewable Energy Portfolio Standard – Revisions**
3 **(Maryland Clean Energy Advancement Act of 2015)**

4 FOR the purpose of altering the minimum required percentage of energy that must be
5 derived from Tier 1 renewable sources in the State’s renewable energy portfolio
6 standard in certain years; altering the minimum required percentage of Tier 1
7 renewable energy that must be derived from solar energy in the State’s renewable
8 energy portfolio standard in certain years; establishing renewable energy portfolio
9 standards for certain years; altering the percentage of total annual electricity sales
10 revenues that are used solely for the purchase of Tier 1 renewable energy credits
11 derived from solar energy an electricity supplier must incur to request a delay of
12 certain solar energy requirements in the renewable energy portfolio standard;
13 making conforming changes; providing for the application of this Act; and generally
14 relating to renewable energy portfolio standards.

15 BY repealing and reenacting, with amendments,
16 Article – Public Utilities
17 Section 7–703(b)(13), (14), (15), (16), and (17) and 7–705(e)(1) and (4)
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2014 Supplement)

20 BY adding to
21 Article – Public Utilities
22 Section 7–703(b)(18), (19), and (20)
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2014 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Public Utilities

7–703.

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

(13) in 2018:

(i) [15.8%] **17.1%** from Tier 1 renewable sources, including:

1. at least [1.4%] **1.5%** derived from solar energy; and

2. an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

(ii) 2.5% from Tier 2 renewable sources;

(14) in 2019, [17.4%] **21.0%** from Tier 1 renewable sources, including:

(i) at least [1.75%] **1.9%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy;

(15) in 2020, [18%] **25%** from Tier 1 renewable sources, including:

(i) at least [2.0%] **2.25%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy;

(16) in 2021, [18.7%] **28%** from Tier 1 renewable sources, including:

(i) at least [2.0%] **2.6%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; [and]

(17) in 2022 [and later, 20%], **31%** from Tier 1 renewable sources, including:

(i) at least [2%] **2.95%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy;

1 **(18) IN 2023, 34% FROM TIER 1 RENEWABLE SOURCES, INCLUDING:**

2 **(I) AT LEAST 3.3% DERIVED FROM SOLAR ENERGY; AND**

3 **(II) AN AMOUNT SET BY THE COMMISSION UNDER § 7-704.2(A)**
4 **OF THIS SUBTITLE, NOT TO EXCEED 2.5%, DERIVED FROM OFFSHORE WIND ENERGY;**

5 **(19) IN 2024, 37% FROM TIER 1 RENEWABLE SOURCES, INCLUDING:**

6 **(I) AT LEAST 3.65% DERIVED FROM SOLAR ENERGY; AND**

7 **(II) AN AMOUNT SET BY THE COMMISSION UNDER § 7-704.2(A)**
8 **OF THIS SUBTITLE, NOT TO EXCEED 2.5%, DERIVED FROM OFFSHORE WIND ENERGY;**
9 **AND**

10 **(20) IN 2025 AND LATER, 40% FROM TIER 1 RENEWABLE SOURCES,**
11 **INCLUDING:**

12 **(I) AT LEAST 4.0% DERIVED FROM SOLAR ENERGY; AND**

13 **(II) AN AMOUNT SET BY THE COMMISSION UNDER § 7-704.2(A)**
14 **OF THIS SUBTITLE, NOT TO EXCEED 2.5%, DERIVED FROM OFFSHORE WIND ENERGY.**

15 7-705.

16 (e) (1) Notwithstanding the requirements of § 7-703(b) of this subtitle, if the
17 actual or projected dollar-for-dollar cost incurred or to be incurred by an electricity
18 supplier solely for the purchase of Tier 1 renewable energy credits derived from solar energy
19 in any 1 year is greater than or equal to, or is anticipated to be greater than or equal to,
20 [1%] 2% of the electricity supplier's total annual electricity sales revenues in Maryland,
21 the electricity supplier may request that the Commission:

22 (i) delay by 1 year each of the scheduled percentages for solar energy
23 under § 7-703(b) of this subtitle that would apply to the electricity supplier; and

24 (ii) allow the renewable energy portfolio standard for solar energy
25 for that year to continue to apply to the electricity supplier for the following year.

26 (4) If the Commission allows a delay under paragraph (1) of this
27 subsection:

28 (i) the renewable energy portfolio standard for solar energy
29 applicable to the electricity supplier under the delay continues for each subsequent
30 consecutive year that the actual or projected dollar-for-dollar costs incurred, or to be
31 incurred, by the electricity supplier solely for the purchase of solar renewable energy credits

1 is greater than or equal to, or is anticipated to be greater than or equal to, [1%] 2% of the
2 electricity supplier's total annual retail electricity sales revenues in Maryland; and

3 (ii) the renewable energy portfolio standard for solar energy
4 applicable to the electricity supplier under the delay is increased to the next scheduled
5 percentage increase under § 7-703(b) of this subtitle for each year in which the actual or
6 projected dollar-for-dollar costs incurred, or to be incurred, by the electricity supplier
7 solely for the purchase of solar renewable energy credits is less than, or is anticipated to be
8 less than, [1%] 2% of the electricity supplier's total annual retail electricity sales revenues
9 in Maryland.

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

13 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2015.