

HOUSE BILL 1428

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By: **Delegate Hucker**

Introduced and read first time: February 18, 2013

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Geothermal Heating and Cooling On–Bill Financing – Pilot**
3 **Program**

4 FOR the purpose of requiring the Public Service Commission to establish, in
5 consultation with the Maryland Energy Administration, a pilot program for
6 geothermal heating and cooling on–bill financing; establishing the purpose of
7 the program; requiring the Commission and the Administration to make certain
8 determinations in designing the program; requiring the Commission to convene
9 a certain technical workgroup to monitor the program and make certain
10 recommendations; requiring the workgroup to include certain representatives;
11 requiring the Commission to report the recommendations of the workgroup on
12 or before a certain date; and generally relating to a pilot program for
13 geothermal heating and cooling on–bill financing.

14 BY adding to
15 Article – Public Utilities
16 Section 7–309
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2012 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**

22 **7–309.**

23 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
24 **MEANINGS INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) “ADMINISTRATION” MEANS THE MARYLAND ENERGY**
2 **ADMINISTRATION.**

3 **(3) “COMMISSION” MEANS THE PUBLIC SERVICE COMMISSION.**

4 **(4) “UTILITY COMPANY” MEANS AN ELECTRIC COMPANY OR A GAS**
5 **COMPANY.**

6 **(B) THE COMMISSION, IN CONSULTATION WITH THE ADMINISTRATION,**
7 **SHALL ESTABLISH A PILOT PROGRAM FOR GEOTHERMAL HEATING AND**
8 **COOLING ON-BILL FINANCING.**

9 **(C) THE PURPOSE OF THE PILOT PROGRAM IS TO ENCOURAGE UTILITY**
10 **CUSTOMERS TO INSTALL GEOTHERMAL HEATING AND COOLING UNITS ON**
11 **RESIDENTIAL, COMMERCIAL, OR GOVERNMENT PROPERTIES THROUGH**
12 **LOW- OR NO-INTEREST LOANS REPAID DIRECTLY TO A UTILITY COMPANY ON A**
13 **UTILITY BILL.**

14 **(D) IN DESIGNING THE PILOT PROGRAM, THE COMMISSION AND THE**
15 **ADMINISTRATION SHALL DETERMINE:**

16 **(1) ELIGIBILITY CRITERIA FOR RECEIVING A LOAN, INCLUDING**
17 **THE NECESSITY OF AN ENERGY AUDIT;**

18 **(2) WHETHER A LOAN REMAINS WITH A PROPERTY WHEN**
19 **OWNERSHIP OF THE PROPERTY IS TRANSFERRED;**

20 **(3) THE APPROPRIATE MAINTENANCE FOR LOAN LOSS RESERVES;**

21 **(4) THE NUMBER OF SERVICE AREAS THAT MAY PARTICIPATE IN**
22 **THE PILOT PROGRAM; AND**

23 **(5) THE APPROPRIATE ENTITY TO ADMINISTER THE PILOT**
24 **PROGRAM WITH CONSIDERATION GIVEN TO, AMONG OTHER ENTITIES, A**
25 **PARTICIPATING UTILITY COMPANY, AN ELECTRIC COOPERATIVE, A**
26 **PARTICIPATING MUNICIPAL UTILITY, AND THE MARYLAND CLEAN ENERGY**
27 **CENTER.**

28 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

29 **(a) In establishing and designing the pilot program required under § 7-309**
30 **of the Public Utilities Article, as enacted by Section 1 of this Act, the Public Service**
31 **Commission shall convene a technical workgroup to monitor the pilot program and**

1 make recommendations for establishing a statewide geothermal heating and cooling
2 on-bill financing program.

3 (b) The technical workgroup required under this section shall include
4 representatives of the following:

5 (1) the Maryland Energy Administration;

6 (2) utility companies;

7 (3) municipal utilities;

8 (4) the Maryland Clean Energy Center;

9 (5) the geothermal heating and cooling industry; and

10 (6) well drilling companies that install ground source loop systems.

11 (c) On or before January 1, 2014, the Commission shall report to the
12 Governor and, in accordance with § 2-1246 of the State Government Article, the
13 General Assembly on the recommendations of the technical workgroup.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 June 1, 2013.