

SENATE BILL 1021

C5

4r3118
CF 4r3107

By: **Senator Pugh**

Introduced and read first time: February 13, 2014

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Net Energy Metering – Industrial Combined Heat and Power**

3 FOR the purpose of including in the definition of an eligible customer–generator for
4 the purposes of net energy metering a customer that owns and operates, leases
5 and operates, or contracts with a third party that owns and operates a certain
6 industrial combined heat and power facility; defining a certain term; altering a
7 certain definition; and generally relating to net energy metering and industrial
8 combined heat and power facilities.

9 BY repealing and reenacting, with amendments,
10 Article – Public Utilities
11 Section 7–306(a)
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2013 Supplement)

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

16 **Article – Public Utilities**

17 7–306.

18 (a) (1) In this section the following words have the meanings indicated.

19 (2) “Biomass” means “qualified biomass” as defined in § 7–701 of this
20 title.

21 (3) “Closed conduit hydro” means a hydroelectric generating facility
22 that:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) generates electricity within existing piping or limited
2 adjacent piping of a potable water supply system;

3 (ii) is owned or operated by a municipal corporation or public
4 water authority; and

5 (iii) is designed to produce less energy than is consumed to
6 operate the water supply system.

7 (4) “Eligible customer-generator” means a customer that owns and
8 operates, leases and operates, or contracts with a third party that owns and operates a
9 biomass, **INDUSTRIAL COMBINED HEAT AND POWER**, micro combined heat and
10 power, solar, fuel cell, wind, or closed conduit hydro electric generating facility that:

11 (i) is located on the customer’s premises or contiguous property;

12 (ii) is interconnected and operated in parallel with an electric
13 company’s transmission and distribution facilities; and

14 (iii) is intended primarily to offset all or part of the customer’s
15 own electricity requirements.

16 (5) “Fuel cell” means an electric generating facility that:

17 (i) includes integrated power plant systems containing a stack,
18 tubular array, or other functionally similar configuration used to electrochemically
19 convert fuel to electric energy; and

20 (ii) may include:

21 1. an inverter and fuel processing system; and

22 2. other plant equipment to support the plant’s
23 operation or its energy conversion, including heat recovery equipment.

24 (6) **“INDUSTRIAL COMBINED HEAT AND POWER” MEANS THE**
25 **SIMULTANEOUS OR SEQUENTIAL PRODUCTION OF USEFUL THERMAL ENERGY**
26 **AND MECHANICAL POWER NOT EXCEEDING 2 MEGAWATTS FOR EXPORT FROM A**
27 **LARGE FOOD MANUFACTURING PLANT THAT:**

28 **(I) WAS IN EXISTENCE BEFORE JANUARY 1, 2014;**

29 **(II) OPERATES AN ACTIVE BULK MARITIME TERMINAL; AND**

30 **(III) ACHIEVES AT LEAST 70% ENERGY EFFICIENCY.**

1 **(7)** “Micro combined heat and power” means the simultaneous or
2 sequential production of useful thermal energy and electrical or mechanical power not
3 exceeding 30 kilowatts.

4 **[(7)] (8)** “Net energy metering” means measurement of the difference
5 between the electricity that is supplied by an electric company and the electricity that
6 is generated by an eligible customer-generator and fed back to the electric grid over
7 the eligible customer-generator’s billing period.

8 **[(8)] (9)** “Net excess generation” means the amount of the electricity
9 generated by an eligible customer-generator that is in excess of the electricity
10 consumed by the eligible customer-generator and that results in a negative
11 kilowatt-hour reading at the end of the eligible customer-generator’s billing cycle.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2014.