

Climate and Energy Legislative Update

4/16/2012

Federal Rulemaking

FHFA Rules on Residential PACE Programs

- Status: Comment period closed March 26; pending decision.
- Action taken: Letter submitted in support of PACE programs and opposing FHFA restrictions
- In 2010 and 2011, the Federal Housing Finance Agency (FHFA) released statements that prohibit Fannie Mae and Freddie Mac from purchasing mortgage loans secured by properties with first-lien PACE obligations, leading to the suspension of nearly every residential PACE program in the country.
- Most recently, the Federal District Court for the Northern District of California issued a ruling that requires FHFA to conduct a rulemaking procedure—accepting public comments on the restrictions—while keeping its current policies in place.

District of Columbia

Community Renewables Energy Act of 2012

- Sponsors: Alexander, Cheh
- Status: Tracking
Introduced March 6
- Action taken: Monitoring
- Enables energy customers who do not own or operate solar panels to subscribe to Community Energy Generating Facilities, thereby receiving credits against their utility bill for a share of the energy produced.
- Community Energy Generating Facilities are defined as renewable electricity generators interconnected at the distribution level that have at least two subscribers and have a generation capacity up to 5 MW. They can be built, owned, and operated by any for-profit, non-profit, or third party entity.
- The bill creates a program to distribute excess credits to low-income households.

Virginia

HB 129 – Purchases from Net Metering Sellers

- Sponsor: Kilgore
- Status: House: Passed 2/6 (97-Y, 0-N, 1-A)
Senate: **Continued to 2013** by Commerce and Labor (13-Y 2-N 1-A)
- Action taken: Letter of support submitted
- Authorizes Power Purchase Agreements (PPAs) between customer-generators and the third-party owners of renewable energy Net Energy Metering (NEM) systems.

HB 1177 – Virginia Energy Plan Objectives

- Sponsor: Watson
- Status: House: Passed 2/6 (95-Y 2-N)
Senate: Passed 2/27/2012 (39-Y 0-N)
Awaiting Governor's signature
- Action taken: Monitoring
- Adds two items to statement of energy policy objectives:
 - Ensuring adequate supply and Virginia-based production capacity; and
 - Minimizing the Commonwealth's exposure to price volatility through greater energy independence.

HB 27 – Residential Energy Efficiency Standards

- Sponsor: Marshall
- Status: House: Passed (71-Y 28-N)
Senate: **Failed to report** from Agriculture, Conservation, and Natural Resources Cmte
- Action taken: Monitoring
- Exempts residential buildings from being subject to federal energy efficiency regulations, including mandatory efficiency assessments, home modifications, or labeling programs.

Maryland

HB 441 / SB 237 – Maryland Offshore Wind Energy Act of 2012

- Sponsors: The Speaker (By Request - Administration) and Delegates Hucker, Barnes, Barve, Bobo, Cardin, Frush, Hubbard, Jones, Mizeur, Ross, Stein, and Waldstreicher
- Status: House: Passed (88-Y, 47-N)
Senate: **Failed to move out of Finance Committee**
- Action taken: Letter of support submitted
- Alters Maryland's RPS requirements to include offshore wind energy carve-out (ORECs); includes price controls.

MD HB 864 / SB 595 - Community Energy-Generating Facilities and Net Energy Metering

- Sponsors: Stein, Clippinger, Barkley, Cardin, Feldman, Healey, Hucker, Jameson, Lafferty, Morhaim, and Ross
- Status: House: **Unfavorable Report** by Economic Matters Committee
Senate: **Failed to move out of Finance Committee**
- Action taken: Letter of support submitted
- Excludes community generators of on-site renewable from the classification of "electric company" and allows them to participate in net metering contracts. Allows up to 1,500MW of capacity from community generators, each with an individual capacity up to 2 MW. Includes biomass, micro CHP, solar, fuel cell, wind, or closed conduit hydro.

HB 628 / SB 688 – Street Lighting – Purchase of Equipment by Local Government

- Sponsor: Carr
- Status: House: **Unfavorable Report** by Economic Matters Committee
Senate: **Failed to move out of** Senate Education, Health, and Environmental Affairs
- Action taken: Letter of support submitted
- Establishes rules by which a local government can condemn and purchase utility-owned streetlights at fair market value.

HB 1280 / SB 997 – Public Utilities – Electric Vehicle Users and Charging Stations

- Sponsors: McHale and Malone
- Status: House: **Passed (137-Y, 0-N)**
Senate: **Favorable Report** with Amendments by Finance Committee
- Action taken: Letter of support submitted
- Exempts plug in vehicle charging stations from being considered as electric utilities
- Amendments: Expands the exemption to include electric vehicle supply equipment, electric vehicle charging station service providers, and residential charging.

HB 1088 – Electricity and Gas – Energy Efficiency On-Bill Financing Program

- Sponsors: Kramer, Arora, Barkley, Carr, Frick, Kipke, Luedtke, B. Robinson, Rudolph, Summers, and Valderrama
- Status: House: **Unfavorable Report** by Economic Matters
- Action taken: Letter of support submitted
- Establishes an on-bill efficiency finance program for residential and commercial properties.

HB 108 / SB 340 – Vehicle Laws – Stopping, Standing, Parking in Plug-In Vehicle Charging Stations

- Sponsor: Raskin
- Status: House: **Referred to interim study by Environmental Matters**
Senate: Passed (36-Y 10-N)
- Action taken: Monitoring
- Prohibits a conventional vehicle from stopping, standing or parking in a marked plug-in-vehicle charging station
- Amended to add that: (1) EVs must be plugged into the charging station while parking there, and must vacate the spot upon full charge; and (2) any fees collected will be distributed to the state Transportation Trust fund. It is now up for a floor vote in the Senate.

HB 1279 / SB 998 – Motor Vehicle Administration – Plug-In Vehicles – Disclosure of Public Information

- Sponsors: Malone and McHale
- Status: House: **Passed (107-Y, 30-N)**
Senate: **Passed (37-Y, 10-N)**
- Action taken: Monitoring
- The motor vehicle administration would be allowed to disclose the address of owners of plug-in vehicles to utility companies for planning purposes.

HB 995 – Maryland Energy Administration – Sustainable Energy Regulated Entity Program

- Sponsors: Niemann
- Status: House: **Unfavorable Report by Economic Matters**
- Action taken: Monitoring
- Creates loan program for energy efficiency upgrades that is managed through assessments. These assessments stay with the property, like a lien, but don't take precedence over a mortgage. Potential to sidestep PACE complications.