

~~AN EMISSIONS REDUCTION OR CARBON SEQUESTRATION PROJECT THAT IS FOUND BY THE SECRETARY TO MEET ALL APPLICABLE CRITERIA FOR SUCH PROJECTS IN ACCORDANCE WITH THE REGIONAL GREENHOUSE GAS INITIATIVE; AND~~

~~(2) ESTABLISH A SYSTEM FOR OFFSETTING THE CARBON DIOXIDE EMISSIONS OF STATEWIDE ELECTRICITY IMPORTS ABOVE THE AMOUNT OF ELECTRICITY IMPORTED IN 2004 AS FOLLOWS:~~

~~(I) A LOAD SERVING ENTITY IN THE STATE THAT CONTRACTS TO PURCHASE ELECTRIC POWER GENERATED IN A STATE OTHER THAN MARYLAND OR STATES PARTICIPATING IN THE REGIONAL GREENHOUSE GAS INITIATIVE IN ORDER TO REPLACE ELECTRIC POWER FORMERLY PURCHASED FROM AN AFFECTED FACILITY, SHALL OFFSET THE CARBON DIOXIDE EMISSIONS OF THAT POWER; AND~~

~~(II) THE AMOUNT OF CARBON DIOXIDE EMISSIONS ATTRIBUTED TO POWER GENERATED IN A STATE OTHER THAN MARYLAND OR A STATE PARTICIPATING IN THE REGIONAL GREENHOUSE GAS INITIATIVE SHALL BE CALCULATED ACCORDING TO THE AVERAGE CARBON DIOXIDE EMISSIONS OF THE ELECTRICITY GENERATED BY THE PERSON SELLING THE POWER IN THE REGION IN WHICH SUCH POWER IS GENERATED.~~

~~(G) THE PROVISIONS OF THIS SECTION MAY NOT BE CONSTRUED TO AFFECT EMISSIONS REQUIREMENTS, STANDARDS, OR LIMITATIONS IMPOSED ON ELECTRICITY GENERATORS BY ANY OTHER PROVISION OF LAW THAT WOULD RESULT IN EMISSIONS REDUCTIONS IN ADDITION TO THOSE REQUIRED UNDER THIS SECTION.~~

~~(H) A PERSON THAT OWNS, LEASES, OPERATES, OR CONTROLS AN AFFECTED FACILITY THAT IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION MAY DETERMINE HOW BEST TO ACHIEVE THE COLLECTIVE EMISSIONS REQUIREMENTS UNDER SUBSECTIONS (A), (B), AND (E) OF THIS SECTION.~~

~~(I) IF THE U.S. ENVIRONMENTAL PROTECTION AGENCY ALLOCATES EMISSION ALLOWANCES FOR MERCURY, SULFUR DIOXIDE, OR OXIDES OF NITROGEN TO THE STATE, THE ALLOWANCES SHALL BE TREATED AS FOLLOWS:~~

~~(1) A MERCURY ALLOWANCE MAY NOT BE ALLOCATED TO ANY PERSON THAT OWNS, LEASES, OPERATES, OR CONTROLS AN AFFECTED FACILITY OR OTHER SOURCE OF MERCURY EMISSIONS INTO THE ATMOSPHERE OR MERCURY DISCHARGES INTO THE WATERS OF THE STATE.~~

~~(2) (I) THE DEPARTMENT SHALL HOLD ALL MERCURY ALLOWANCES ALLOCATED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY TO THE STATE.~~

~~(II) AT THE END OF EACH CALENDAR YEAR, THE DEPARTMENT SHALL INSTRUCT THE U.S. ENVIRONMENTAL PROTECTION AGENCY TO RETIRE PERMANENTLY THE ALLOWANCES.~~

~~(3) THE DEPARTMENT SHALL ENSURE THAT ANY EMISSION ALLOWANCES FOR SULFUR DIOXIDE OR OXIDES OF NITROGEN ALLOCATED BY THE DEPARTMENT TO ANY PERSON THAT OWNS, LEASES, OPERATES, OR CONTROLS AN AFFECTED FACILITY MAY NOT BE MADE AVAILABLE FOR RESALE OR EXCHANGE.~~