

(2) (I) A CUSTOMER MAY INDEPENDENTLY ACQUIRE RENEWABLE ENERGY CREDITS TO SATISFY THE STANDARDS APPLICABLE TO THE CUSTOMER'S LOAD, INCLUDING CREDITS CREATED BY A RENEWABLE ON-SITE GENERATOR.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II)1 OF THIS PARAGRAPH, THE CUSTOMER SHALL SURRENDER THE CREDITS NECESSARY TO MEET THE STANDARD TO ITS ELECTRICITY SUPPLIER FOR INCLUSION IN THE ELECTRICITY SUPPLIER'S COMPLIANCE REPORT UNDER § 7-705 OF THIS SUBTITLE.

(III) 1. CREDITS THAT A CUSTOMER SURRENDERS TO ITS ELECTRICITY SUPPLIER TO MEET THE STANDARD AND THAT THE ELECTRICITY SUPPLIER RELIES ON IN SUBMITTING ITS COMPLIANCE REPORT MAY NOT BE RESOLD OR RETRANSFERRED BY THE CUSTOMER OR BY THE ELECTRICITY SUPPLIER.

2. THE CUSTOMER MAY RETAIN OR TRANSFER ANY CREDITS IN EXCESS OF THE AMOUNT NEEDED TO SATISFY THE STANDARD FOR THE CUSTOMER'S LOAD.

(IV) A CUSTOMER WHO SURRENDERS CREDITS UNDER THIS SUBSECTION RETAINS ALL RIGHTS AND TITLE TO ANY ENVIRONMENTAL OR OTHER ATTRIBUTES ASSOCIATED WITH THE CREDITS, INCLUDING EMISSION REDUCTIONS OR RELATED ALLOWANCES.

(3) A RENEWABLE ON-SITE GENERATOR SHALL RECEIVE CREDIT FOR THE PORTION OF ITS ON-SITE GENERATION FROM A TIER 1 RENEWABLE SOURCE OR A TIER 2 RENEWABLE SOURCE THAT DISPLACES THE PURCHASE OF ELECTRICITY BY THE RENEWABLE ON-SITE GENERATOR FROM THE GRID.

~~(3)~~ (4) A CUSTOMER THAT SATISFIES THE STANDARD APPLICABLE TO THE CUSTOMER'S LOAD UNDER THIS SUBSECTION MAY NOT BE REQUIRED TO CONTRIBUTE TO A COMPLIANCE FEE RECOVERED UNDER § 7-706 OF THIS SUBTITLE.

~~(4)~~ (5) THE COMMISSION SHALL ADOPT REGULATIONS GOVERNING THE APPLICATION AND TRANSFER OF CREDITS UNDER THIS SUBSECTION CONSISTENT WITH FEDERAL LAW.

~~(H)~~ (G) (1) IN ORDER TO CREATE A RENEWABLE ENERGY CREDIT, A TIER 1 RENEWABLE SOURCE OR TIER 2 RENEWABLE SOURCE MUST SUBSTANTIALLY COMPLY WITH ALL APPLICABLE ENVIRONMENTAL AND ADMINISTRATIVE REQUIREMENTS, INCLUDING AIR QUALITY, WATER QUALITY, SOLID WASTE, AND RIGHT-TO-KNOW PROVISIONS, PERMIT CONDITIONS, AND ADMINISTRATIVE ORDERS.

(2) (I) THIS PARAGRAPH APPLIES TO TIER 2 RENEWABLE SOURCES THAT INCINERATE SOLID WASTE.

(II) AT LEAST 80% OF THE SOLID WASTE INCINERATED AT A TIER 2 RENEWABLE SOURCE FACILITY SHALL BE COLLECTED FROM:

1. FOR AREAS IN MARYLAND, JURISDICTIONS THAT ACHIEVE THE RECYCLING RATES REQUIRED UNDER § 9-505 OF THE ENVIRONMENT ARTICLE; AND