REQUIREMENTS, AND PROCEDURES TO FACILITATE PARTICIPATION BY HOMEOWNERS AND SMALL BUSINESSES IN DEPLOYMENT OF SOLAR GENERATION IN THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before November 1, 2007, the Public Service Commission shall revise Maryland's interconnection standards and procedures to be consistent with the interconnection standards of any state in the PJM region with more than 1,000 interconnected renewable on site generators. That, in recognition of the value of small distributed generation to the reliable and cost-effective operation of the grid, the Public Service Commission shall:

- (1) form a small generator interconnections working group to develop interconnection standards and procedures for on—site generator facilities operating in Maryland that are consistent with nationally adopted interconnection standards and procedures; and
- (2) on or before November 1, 2007, by regulation or order, revise Maryland's interconnection standards and procedures:
- (i) to be consistent with nationally adopted interconnection standards and procedures; and
- (ii) to facilitate and encourage a simplified connection of small distributed generators to the grid in a manner that ensures the safe and reliable operation of the grid.
- SECTION 3. AND BE IT FURTHER ENACTED, That the Public Service Commission shall investigate the benefits to residential customers of using a regulatory rate—making mechanism that separates electric company distribution sales from electric company distribution profits, including a mechanism that allows electric companies to recover fixed distribution costs on a flat rate basis instead of on a consumption rate basis.

SECTION 4. AND BE IT FURTHER ENACTED, That the requirement under § 7–306(h)(5) of the Public Utility Companies Article, as enacted by Section 1 of this Act, for an eligible customer—generator to own and have title to all renewable energy attributes or renewable energy credits associated with any electricity produced by its electric generating system shall apply prospectively and may not be construed to:

- (1) impair contracts that were entered into before the effective date of Section 1 of this Act; or
- (2) prohibit contracts between an eligible customer-generator and another entity entered into after the effective date of this Act that explicitly transfers