- (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
- 2. for other states, jurisdictions for which the electricity supplier demonstrates recycling substantially comparable to that required under § 9-505 of the Environment Article, in accordance with regulations of the Commission.
- (iii) An electricity supplier may report credits received under this paragraph based on compliance by the facility with the percentage requirement of subparagraph (ii) of this paragraph during the year immediately preceding the year in which the electricity supplier receives the credit to apply to the standard.

7-705.

- (a) Each electricity supplier shall submit a report to the Commission each year in a form and by a date specified by the Commission that:
- (1) demonstrates that the electricity supplier has complied with the applicable renewable energy portfolio standard under § 7-703 of this subtitle and includes the submission of the required amount of renewable energy credits; or
- (2) demonstrates the amount of electricity sales by which the electricity supplier failed to meet the applicable renewable energy portfolio standard.
- (b) If an electricity supplier fails to comply with the renewable energy portfolio standard for the applicable year, the electricity supplier shall pay into the Maryland Renewable Energy Fund established under § 7–707 of this subtitle:
- (1) except as provided in  $\frac{1}{1}$  paragraph  $\frac{1}{1}$  (2) of this subsection, a compliance fee of:
- (i) 2 cents for each kilowatt-hour of shortfall from required Tier 1 renewable sources OTHER THAN THE SHORTFALL FROM THE REQUIRED TIER 1 RENEWABLE SOURCES THAT IS TO BE DERIVED FROM SOLAR ENERGY; [and]
- (II) THE FOLLOWING AMOUNTS FOR EACH KILOWATT-HOUR OF SHORTFALL FROM REQUIRED TIER 1 RENEWABLE SOURCES THAT IS TO BE DERIVED FROM SOLAR ENERGY: