

SENATE BILL 480

M5, P2

5lr3056
CF 5lr1216

By: **Senators Gallion and Hester**

Introduced and read first time: January 22, 2025

Assigned to: Education, Energy, and the Environment and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Department of General Services – Clean Energy Procurement Program –**
3 **Establishment**

4 FOR the purpose of requiring the Department of General Services, in consultation with the
5 Maryland Green Purchasing Committee, the University System of Maryland, and
6 the Maryland Clean Energy Center, to establish a Clean Energy Procurement
7 Program in the Department on or before a certain date; requiring the Department,
8 in consultation with the Maryland Green Purchasing Committee, the University
9 System of Maryland, and the Maryland Clean Energy Center, to issue a certain
10 solicitation for a biogas contract; authorizing the Department to enter into a contract
11 to procure biogas; requiring the Department to collect certain data and analyze
12 certain environmental and economic costs and benefits; requiring the University
13 System of Maryland to complete a certain lifecycle analysis; requiring the Power
14 Plant Research Program to reimburse the University System of Maryland for costs
15 incurred to complete the lifecycle analysis; and generally relating to the Clean
16 Energy Procurement Program.

17 BY repealing and reenacting, without amendments,
18 Article – Public Utilities
19 Section 7–704.4(a)(1) and (3)
20 Annotated Code of Maryland
21 (2020 Replacement Volume and 2024 Supplement)

22 BY adding to
23 Article – State Finance and Procurement
24 Section 4–325 and 4–326 to be under the new part “Part IV. State Purchase of
25 Energy”
26 Annotated Code of Maryland
27 (2021 Replacement Volume and 2024 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Public Utilities

7–704.4.

(a) (1) In this section the following words have the meanings indicated.

(3) “Social cost of greenhouse gases” means the most recent social cost of
greenhouse gases adopted by the U.S. Environmental Protection Agency.

Article – State Finance and Procurement

4–323. RESERVED.

4–324. RESERVED.

PART IV. STATE PURCHASE OF ENERGY.

4–325.

**(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.**

**(B) “COMMITTEE” MEANS THE MARYLAND GREEN PURCHASING
COMMITTEE ESTABLISHED UNDER § 14–410 OF THIS ARTICLE.**

(C) “PROGRAM” MEANS THE CLEAN ENERGY PROCUREMENT PROGRAM.

**(D) “SOCIAL COST OF GREENHOUSE GASES” HAS THE MEANING STATED IN §
7–704.4 OF THE PUBLIC UTILITIES ARTICLE.**

4–326.

**(A) ON OR BEFORE JANUARY 1, 2026, THE DEPARTMENT, IN
CONSULTATION WITH THE COMMITTEE, THE UNIVERSITY SYSTEM OF MARYLAND,
AND THE MARYLAND CLEAN ENERGY CENTER, SHALL ESTABLISH A CLEAN ENERGY
PROCUREMENT PROGRAM IN THE DEPARTMENT.**

**(B) THE PURPOSE OF THE PROGRAM IS TO PROCURE BIOGAS FOR USE AS A
FUEL IN THE STATE’S TRANSPORTATION AND BUILDING SECTORS TO EVALUATE THE
ENVIRONMENTAL AND ECONOMIC BENEFITS AND COSTS OF REPLACING FOSSIL
NATURAL GAS WITH BIOGAS, ON A SHORT-TERM AND LONG-TERM BASIS, IN**

1 FURTHERANCE OF THE STATE'S NET-ZERO STATEWIDE GREENHOUSE GAS
2 EMISSIONS REDUCTION GOALS.

3 (C) (1) UNDER THE PROGRAM, THE DEPARTMENT, IN CONSULTATION
4 WITH THE COMMITTEE, THE UNIVERSITY SYSTEM OF MARYLAND, AND THE
5 MARYLAND CLEAN ENERGY CENTER:

6 (I) SHALL ISSUE A COMPETITIVE SEALED PROCUREMENT
7 SOLICITATION FOR BIOGAS; AND

8 (II) MAY ENTER INTO AT LEAST ONE CONTRACT TO PROCURE
9 BIOGAS.

10 (2) WHEN ISSUING THE INVITATION FOR BIDS UNDER THIS
11 SUBSECTION, THE DEPARTMENT SHALL TAKE INTO CONSIDERATION:

12 (I) THE COST-EFFECTIVENESS OF THE ADOPTION OF BIOGAS;

13 (II) THE SOCIAL COST OF GREENHOUSE GASES; AND

14 (III) THE STATE'S CLIMATE COMMITMENTS UNDER § 2-1204.2
15 OF THE ENVIRONMENT ARTICLE.

16 (3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
17 PARAGRAPH, BIOGAS PROCURED THROUGH A CONTRACT UNDER PARAGRAPH (1) OF
18 THIS SUBSECTION SHALL BE GENERATED IN THE STATE.

19 (II) IF SUFFICIENT BIOGAS GENERATED IN THE STATE IS NOT
20 REASONABLY AVAILABLE FOR THE PROGRAM, THE STATE MAY PROCURE BIOGAS
21 FROM SOURCES OUTSIDE THE STATE.

22 (D) (1) THE DEPARTMENT SHALL:

23 (I) COLLECT DATA ON THE AVERAGE CONSUMPTION OF
24 NATURAL GAS IN THE STATE AND PROVIDE THE DATA TO THE UNIVERSITY SYSTEM
25 OF MARYLAND TO DETERMINE WHETHER BIOGAS MAY SUPPORT THE STATE'S
26 CLIMATE COMMITMENTS UNDER § 2-1204.2 OF THE ENVIRONMENT ARTICLE; AND

27 (II) ANALYZE THE ENVIRONMENTAL AND ECONOMIC COSTS AND
28 BENEFITS OF EXPANDING THE USE OF BIOGAS IN THE TRANSPORTATION AND
29 BUILDING SECTORS IN THE STATE.

**(2) (I) THE UNIVERSITY SYSTEM OF MARYLAND SHALL
COMPLETE A CARBON LIFECYCLE ANALYSIS OF BIOGAS AND PROVIDE THE RESULTS
TO THE DEPARTMENT AND THE COMMITTEE.**

**(II) THE POWER PLANT RESEARCH PROGRAM ESTABLISHED
UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL RESOURCES ARTICLE SHALL
REIMBURSE THE UNIVERSITY SYSTEM OF MARYLAND FOR COSTS INCURRED TO
COMPLETE THE CARBON LIFECYCLE ANALYSIS REQUIRED UNDER SUBPARAGRAPH
(I) OF THIS PARAGRAPH.**

(E) THE REQUIREMENTS OF THIS SECTION APPLY ONLY IF:

(1) BIOGAS IS COMPETITIVELY PRICED;

**(2) THE QUALITY OF THE BIOGAS IS SATISFACTORY FOR THE
INTENDED PURPOSE; AND**

(3) BIOGAS IS READILY AVAILABLE.

(F) THE PROGRAM SHALL TERMINATE ON DECEMBER 31, 2028.

**SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
October 1, 2025. It shall remain effective for a period of 3 years and 9 months and, at the
end of June 30, 2029, this Act, with no further action required by the General Assembly,
shall be abrogated and of no further force and effect.**