



Testimony SB 469: Task Force to Study Solar Tax Incentives

Position: **SUPPORT**

February 20, 2023

Dear Chair Guzzone and Budget and Taxation Committee,

On behalf of CI Renewables, I respectfully urge a favorable vote on SB 469. This bill is important to me as a Maryland resident, employee of a Baltimore-based solar company, and father of a 16-month-old daughter. CI Renewables is a developer, owner, and operator of commercial and industrial scale solar power generation assets - predominantly serving non-profit hospitals, governments, and large energy users. Since 2010, we've developed and built complex renewable projects totaling over 200MWs spread throughout Maryland, New Jersey, California, and Virginia. In 2021, we moved our headquarters to Baltimore City so we could invest in Maryland's economy and grow the commercial and industrial solar market. We've only just begun and have already delivered 30MWs of solar energy to Howard County Government as part of the largest Power Purchasing Agreement in the state.

Currently, Maryland is not on track to meet its solar energy goals in the Renewable Portfolio Standard (RPS). In the past legislative session, the General Assembly passed legislation to give tax exemptions and credits to the Community Solar Industry, which has made the Sector of the solar industry delivering power to nonprofits and governments less competitive in securing real estate. This inequity amongst solar sectors prohibits Maryland from reaching its RPS goals due to the challenge in utilizing one of the fastest growing types of solar, aggregate virtual net metering (AVNM). AVNM is exclusively sold to non-profits and municipalities in Maryland, providing crucial solar services that are difficult to obtain because of high consumer personal property taxes. Currently, Community Solar is exempted from these personal property taxes, which leaves the AVNM Sector at an extreme cost disadvantage.

Establishing the Task Force to Study Solar Tax Incentives is crucial to developing a more competitive solar tax strategy that grants AVNM developers the same advantages given to Community solar. The market should be diverse, inclusive and promote a level playing field for these two unique forms of solar development that benefit Marylanders.

We thank Senator Elfreth for her leadership on this bill and look forward to taking a step to help Maryland reach its renewable energy goals!

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