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RE: House Bill 0908 Electricity – Community Solar Energy Generating Systems Program

Favorable

Chair Wilson, Vice Chair Crosby, and Members of Economic Matters,

The Coalition for Community Solar Access (CCSA) provides this written testimony in support of House Bill (HB) 0908.

CCSA is a national, business-led trade organization, composed of over 100 member companies, that works to expand access to clean, local, affordable energy nationwide through the development of robust community solar programs. Today, the majority of households and businesses do not have access to solar because they rent, live in multitenant buildings, have roofs that are unable to host a solar system, are shaded by trees, or experience some other mitigating factor. Community solar provides a solution to this gap by allowing local solar facilities to be shared by multiple community subscribers who receive credit on their electricity bills for their share of the power produced.

CCSA represents its members as an active stakeholder, both at the legislature and through regulatory engagement, in the development and implementation of Maryland's community solar pilot program. As it enters its seventh and final year, the pilot has demonstrated a high demand for community solar in Maryland, with over four hundred megawatts of capacity under development or in operation.

HB 0908 would make community solar a permanent clean energy option in Maryland by lifting its status as a pilot and removing the 2024 sunset date. The bill also includes specific guidance regarding the permanent program structure, such as: requiring all projects to set aside at least 40% of their capacity for low-to-moderate income customers; allowing for utility consolidated billing for community solar subscriptions; clarifying the eligibility and verification requirements associated with low-to-moderate income customers; clarifying the eligibility requirements associated with co-location; and creating a Position Identification Number for a full-time Public Service Commission position that would be responsible for implementing and administering the program.

Lifting the pilot status and associated sunset for the community solar program is a critical need in the 2023 legislative session to avoid major market disruption for the community solar in Maryland. As it stands, the program is set to expire at the end of 2024 which means project development — which can take several years from the time of inception to the point at which a project is interconnected to the grid — will grind to a halt without some indication of the program's future.



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Maryland was one of the pioneering states on community solar when it enabled the creation of the pilot in 2015 through the passage of HB 1087¹. In that year alone, about 40 megawatts of community solar were being installed in a handful of modest markets. By June of last year (2022) there was a cumulative total of over 5.7 gigawatts² (5,700 megawatts) operating in forty states (plus D.C.)³, and the Biden Administration had announced a goal to have enough community solar in the country by 2025 to power the equivalent of 5 million homes and to create \$1 billion in energy bill savings.⁴

HB 0908 will ensure community solar remains a clean energy solution in Maryland, while leveraging the momentum and lessons learned by the pilot program as well as experience gained from other markets. It achieves a trifecta of policy goals for Maryland, including:

- Equity: Community solar allows anyone, regardless of income or property ownership status, to directly participate in and benefit from solar. HB 0908 requires every project to dedicate at least 40% of its capacity for subscriptions by low-to-moderate income customers, ensuring electricity cost savings reach those that need it most. It also requires the option of consolidated billing, which will allow for broader participation and an easier experience for participating customers.
- Energy: Community solar is an important tool for Maryland in meeting its solar and clean energy targets. It involves mid-scale solar development that balances economies of scale with flexible project sizing and siting. HB 0908 goes a step further to incentivize (via allowing colocation) projects that are sited in areas that are already disturbed by development, such as rooftops and on industrial or brownfield lands, in addition to agrivoltaics.
- Economy: Aside from generating bill saving for subscribers, community solar creates jobs, drives economic activity, increases local county revenues, and provides land and property owners with alternative revenue streams. This bill also better positions Maryland to attract investors leveraging billions in federal tax incentives associated with the Inflation Reduction Act (2022).⁵

HB 0908 is essential legislation in 2023 for ensuring the community solar does not falter in Maryland, and that the equity, energy, and economic benefits associated with this important State program are realized. We look forward to working with Delegate Clippinger, Chair Wilson, members of the committee, and all interested parties, in moving this important bill through the legislature.

Sincerely, Charlie Coggeshall, Mid-Atlantic Director, CCSA charlie@communitysolaraccess.org

¹ https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/HB1087?ys=2015rs

² https://data.nrel.gov/submissions/203

³ https://www.energy.gov/communitysolar/community-solar-market-trends

⁴ https://www.energy.gov/articles/doe-sets-2025-community-solar-target-power-5-million-homes

⁵ https://www.whitehouse.gov/cleanenergy/clean-energy-tax-provisions/