FREDERICK COUNTY GOVERNMENT



OFFICE OF THE COUNTY EXECUTIVE

Victoria Venable, Legislative Director

HB 908 – Electricity – Community Solar Energy Generating Systems Program

DATE: February 23, 2023

COMMITTEE: House Economic Matters Committee

POSITION: Favorable

FROM: The Office of Frederick County Executive Jessica Fitzwater

On behalf of the Office of the Frederick County Executive, I urge the committee to give **HB 908** – **Electricity** – **Community Solar Energy Generating Systems Program** a favorable report. This bill builds on legislation this body passed in 2015 to establish a Community Solar Pilot Program. Crucially, this bill makes that program permanent and offers critical improvements to maximize the impact and equity of this important program.

Maryland has had a community solar pilot program since 2017, providing homeowners, renters, and businesses the opportunity to save money and contribute to the clean renewable energy shift. Whether their home isn't compatible, they do not own their roof, or they cannot afford the upfront costs, an estimated 75% of Maryland households cannot access rooftop solar. By using a subscriber model, community solar helps close that accessibility gap.

However, the current pilot program, which was extended in 2019, is set to sunset next year. Without legislative action, no additional community solar projects can apply to be built after July of 2023. This bill would make community solar a permanent part of Maryland's clean energy portfolio and include other improvements to the program.

Many Frederick County residents have benefitted from the Community Solar Pilot Program and have advocated for it to become a permanent program. In the Fall of 2022, former County Executive Jan Gardner solicited public input for legislative priorities for the 2023 session. Several organizations and constituents highlighted the need to pass legislation to continue and expand community solar.

Community solar helps customers lower their energy costs and contributes to the state's renewable energy goals set in the Clean Energy Jobs Act as well as the climate pollution reduction goals established in the Climate Solutions Now Act. Community solar is a creative and innovative strategy to invest in clean energy that can directly benefit consumers. Maryland was one of the first states to pass community solar policies but now there are 22 states and the District of Columbia that have established community solar programs.

While Maryland's Community Solar Pilot Program has been largely successful for those who have subscribed, this bill also offers some changes to the program to make it more equitable and effective. The pilot program, at the direction of the legislature, had a portion of the program reserved for low and moderate-income (LMI) families. This bill builds on that ethos and will require all Community Solar projects going forward to include at least 40% of their subscribers in the LMI category.

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Another important change to the community solar program is requiring utility consolidated billing (UCB). Currently, community solar subscribers receive two bills – one from the solar project for the energy generation and the other from the utility company for energy delivery. This process is not only inefficient, complicated, and confusing to customers, it also creates a barrier for low-income households that receive Energy Assistance benefits because that payment is sent directly to the utility and cannot be applied to the community solar bill. By requiring utility consolidated billing, we can expand accessibility of community solar to Marylanders who rely on Energy Assistance and make the community solar billing process simpler for all customers.

Thank you for your consideration of HB 908. On behalf of County Executive Fitzwater and the residents of Frederick County, I urge a favorable report.

Victoria Venable Legislative Director Office of the Frederick County Executive