



8455 Colesville Rd., Suite 1025 – Silver Spring, MD 20910

Testimony on HB 908

Position: Favorable with AMENDMENTS

Submitted by:

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Submitted to: House Economic Matters

February 21, 2023

On behalf of Neighborhood Sun, a Silver Spring Maryland based community solar company, I ask for you to give HB 908 a favorable report with the inclusion of our suggested amendments. Overall, the bill is a much-needed piece of legislation to ensure our state's community solar program is permanent, to make certain improvements to the program, and to keep Maryland in the forefront of state's addressing the pressing challenges of climate change and air pollution.

The Community Solar Program (CSP) has been a huge success to date, from our perspective. We've been active in the program since day one, bringing the benefits of solar energy to thousands of Marylanders who otherwise wouldn't be able to get it. In particular, we've led the way in marketing to the low and moderate-income (LMI) community in Baltimore and western Maryland, as well as Montgomery County. The Oaks Landfill project in Montgomery County we're working on with Ameresco, is the largest 100% LMI only project in the country, bringing solar energy and material savings to LMI residents in the Pepco area. Other projects in the BGE and Potomac Edison/First Energy territories have brought direct savings and clean energy to LMI residents.

Neighborhood Sun has grown substantially since the program started and we've been able to create good paying green jobs in the state, and facilitated new economic activity. We have been fortunate to receive investments from TEDCO and MTECH, two funds that support Maryland start-ups. We have a direct vested interest in seeing the Maryland program succeed. That's why we support SB 613, though with some amendments that we believe will only improve the bill. We offer these amendments based on our unique experience as a customer aggregator and not a solar developer. In other words, because



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we only focus on customer acquisition and ongoing customer management, we have a perspective that's different than the companies financing and building projects.

Amendment 1 – Allow projects to bank credits for up to one year.

Other states offer this and it provides aggregators more flexibility in managing customers and customer-churn. It simply would mean that any unallocated credits in a given month are put into a bank that can be sold to any customer for up to one year. For example, if a project is only 90% allocated, we can take that extra 10% and allocate it to future customers within one year.

Suggested language:

ANY UNALLOCATED CREDITS MAY BE SOLD TO CUSTOMERS WITHIN THE UTILITY TERRITORY FOR UP TO ONE YEAR AFTER THEIR CREATION.

Amendment 2 – Have a workgroup led by MEA to formulate the new regulations to propose to the PSC.

The MEA is well positioned to convene a broader array of stakeholders and come to as much consensus as possible before presenting to the PSC. As this is a bill supported by the administration, they need to have a leadership role in formulating the regulations. Past experience has shown that the path from legislative language to regulatory language is fraught with opportunities to derail the original intent of legislators. The MEA can better guide this process because of its closer proximity to legislative leadership and its potential role as a supporter of the program, not just a “neutral” arbiter. Having the MEA lead the process is the best way to ensure a robust, successful program that mirrors the legislative intent.

Suggested language:

WITHIN TWO MONTHS OF ADOPTION OF THIS BILL, THE ADMINISTRATION WILL CONVENE A WORKGROUP OF ALL INTERESTED STAKEHOLDERS TO PROVIDE A REPORT WITH SUGGESTED REGULATIONS TO THE COMMISSION NO LATER THAN _____.

Other measures are extremely important to keep in the bill in order to make the permanent program work. These measures include, but are not limited to:

- Allowing utility consolidated billing for all subscribers.

UCB is a must if we are going to serve everyone who is eligible for the program, including LMI subscribers. The current dual-billing system is an impediment to customer enrollment as well as ongoing customer management. The utilities are perfectly positioned to handle this as it will be even easier than the current UCB system they have in place with retail electric providers.

- Requiring all utilities to utilize monetary crediting.

Potomac Edison/First Energy currently utilizes kilowatt-hour credits and it makes the work of enrolling and managing customers significantly more difficult than in the other three Maryland IOU's, where monetary crediting is in place. The kWh crediting model leads to market confusion because potential



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subscribers can't be 100% sure of their discount without first doing a calculation on their current rates. Basically, if they are with a third party supplier, the value of the credit is different than if they are with utility SOS.

- Making it easier for LMI subscribers to be verified, including self-attestation.

The PSC has made progress in improving the LMI verification process, but has not gone far enough. We need potential subscribers to be able to do self-attestation if we are going to hit the LMI mandates in this bill. It is extremely difficult to enroll LMI customers and we need to take down as many barriers as possible to truly achieve equity.

In conclusion, we hope you will give this bill a favorable outcome, hopefully with the amendments we've provided. We have as much or more on the ground experience in Maryland as anyone, and have a vested interest in seeing this program succeed. We therefore hope you carefully consider our comments and reach out to us if there will be further discussions on this bill.

About Neighborhood Sun

We are a Maryland based clean energy social enterprise with a mission to bring the promise of solar energy to everyone, not just the select few. From our headquarters in Silver Spring, we've helped expand community solar to all over Maryland, DC, New York, Colorado, and many other states. Our Sun Engine advanced software platform allows thousands of subscribers connect to community solar projects while giving the project owners unprecedented control over the administration of the projects. For more information, go to www.neighborhoodsun.solar