

RE: HB 1328 – Solar Energy and Energy Storage - Development and State Procurement

## **Favorable with Amendments**

Chair Wilson, Vice Chair Crosby, Delegate Ziegler, and members of the House Economic Matters Committee,

The Coalition for Community Solar Access (CCSA) provides this written testimony regarding House Bill (HB) HB 1328. CCSA's position on this legislation is Favorable with Amendments, as outlined below and attached.

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 has been an active participant in the development and implementation of Maryland's community solar pilot program, and we are grateful to this Committee for supporting the passage of HB 908 in 2023, which made community solar a permanent solution in Maryland. The permanent community solar program enabled through HB 908 will play a critical role in helping the state meet its rapidly climbing clean energy requirements, while also ensuring electricity cost savings reach those that need it most (e.g., the program requires at least 40% of every project's capacity to benefit low-to-moderate income customers).

Vice Chair Crosby and Delegate Ziegler's HB 1328 would: (1) create a Conservation and Restoration Fund; 2) establish a Utility-Scale Siting and Design Advisory Commission; 3) require cover crop and vegetation management plans for each wholesale CPCN project; 4) develop energy storage device model permit and fire suppression standards for state or local government; 5) require the state to procure 200 MW annually for ten years; and 6) create a land and grid analysis and database for solar development.

CCSA appreciates the emphasis of HB 1328 on the siting and permitting of clean energy technologies in Maryland. Siting is the most pressing barrier to community solar deployment and is a key detriment to groundmounted solar more generally with regards to the state meeting its clean energy requirements. Though not directly intended for community solar, CCSA supports the provisions of HB 1328 relating to the mandated procurement of solar energy as an additional clean energy deployment tool for the state under State Finance and Procurement Article Section 4-325. In addition, CCSA supports the provisions of HB 1328 under State Government Article Section 9-2016 to analyze the state's land and grid suitability for solar energy development, which could help create greater transparency for the market regarding development opportunities and barriers.

However, CCSA is concerned with unintended consequences relating to the other provisions of HB 1328.



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The Conservation and Restoration Fund (Local Government Article Section 12-905) is an interesting concept that could be explored further, but as captured in HB 1328 would result in a fee determined by each county that is only applied to solar generating systems located on land zoned for agricultural use or silvicultural use. Allowing the counties full discretion to establish fee amounts could result in de facto bans on solar development on agricultural land, depending on the county. Further, it is inequitable to make solar development, which provides numerous economic, environmental, and other policy benefits to the state, subject to a fee which is not applied to other forms of development that occur on agricultural land.

The Utility-Scale Solar Design and Siting Advisory Commission (Natural Resources Article Section 3-306.2) would create a 20-member Advisory Commission tasked with developing recommendations to the Governor and legislature on how to balance solar development with land and forest interests by December 2024, and then recommendations on the best practices and a model policy for developing solar projects two megawatts in size and larger by December 2025. The result would be a two-year process, that may or may not produce further legislation or regulatory action in 2026, and that may or may not drive constructive improvements to solar siting in Maryland. Further, the focus on projects two megawatts and larger appears to target siting through the Public Service Commission's Certificate of Public Convenience and Necessity ("CPCN"), which currently applies to solar projects larger than two megawatts, leaving issues related to restrictive county zoning ordinances and bans unaddressed for solar projects two megawatts and smaller. The uncertainty of the Advisory Commission process and its outcome would not only undermine market confidence, but also prevent nearer-term solutions from being considered or adopted. In lieu of this Advisory Commission concept, CCSA recommends consideration of HB 1046 (which focuses on improving the CPCN process for well-sited community solar projects) and HB 1407 (which focuses on ending restrictive county zoning ordinances and bans). Both bills are geared toward actionable changes at the state and local levels to fix real issues and enable properly sited solar development.

The remaining two provisions in the bill, cover crop and vegetation management plan requirements (Public Utilities Article Section 7-215.1) and development of energy storage device model permit and fire suppression standards (Public Utilities Article 216.2), are unnecessary. CCSA is not directly impacted by these provisions due to the cover-crop being required of "wholesale" projects, and there not currently being a storage component for community solar. However, CCSA views the CPCN process as robust and not in need of a supplemental cover crop and management plan review as projects already must implement comprehensive vegetation management plans under standard CPCN conditions. Further, CCSA understands that the PSC's Energy Storage Working Group actively considering storage permitting and fire suppression standards, rendering legislation unnecessary.

For these reasons, CCSA is only favorable to HB 1328 if the following sections are struck from the bill: Local Government Article Section 12-905; Public Utilities Article Section 3-306.2; Public Utilities Article Section 7-215.1; and Public Utilities Article Section 7-216.2.

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