



Maryland

Energy Administration

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee
FROM: MEA
SUBJECT: HB1328 - Solar Energy and Energy Storage - Development and State Procurement
DATE: February 29, 2024

MEA Position: Letter of Concern

This bill would authorize a county to enact a local law requiring solar developers to pay a reasonable amount into a conservation and restoration fund if solar is developed on agriculturally-zoned land. This bill would also establish certain limited requirements related to soil and vegetative management on the site of solar energy generation, while establishing the Utility-Scale Solar Design and Siting Commission in the Power Plant Research Program (PPRP) to provide more comprehensive recommendations to further mitigate conflicts between solar energy development and land conservation. Lastly, the bill would establish new energy procurement requirements for the State.

Maryland is currently falling short of the State goals established in the Renewable Energy Portfolio Standard (RPS), which requires electricity suppliers to provide at least 14.5 percent of their electricity from solar sources by 2030. According to the study recently conducted by the Task Force to Study Solar Incentives, chaired by MEA Director Paul Pinsky, Maryland is approximately 20 percent behind on meeting our solar carveout.

While MEA is an active participant in ongoing discussions to establish reasonable solar siting standards, this bill as written could put Maryland further behind in achieving our RPS goals:

- The Solar Task Force identified that local regulations – such as setback requirements and soil limitations – are posing unreasonable barriers to the siting of ground mounted solar systems below 2 megawatts, but this bill takes no action to address these smaller systems. Meanwhile, the current State approval process for solar systems above 2 megawatts is already effective for evaluating projects on a case-by-case basis. Through the process of approving a certificate of public convenience and necessity (CPCN) from the Public Service Commission evaluates a project, taking into account the State’s public interests, including renewable energy goals and certain environmental regulations.
- While each system must be evaluated on a case-by-case basis, it would be beneficial to provide solar developers with a set of reasonable voluntary standards that could help expedite approval, reduce cost to developers, and minimize environmental and local objection upfront, when possible. PPRP is currently collecting stakeholder feedback to establish reasonable standards. If this bill moves forward and a formal commission is

established to facilitate the stakeholder feedback process, then it is important to carefully balance the makeup of the Commission. The bill as written risks providing outsized representation to the interests of land conservation over renewable energy. MEA also recommends adding a representative from the Maryland Department of Transportation.

- It is reasonable to authorize counties to create a conservation and restoration fund. However, not all land zoned for agricultural use is used currently for agricultural production, sometimes because the land is not suitable for crops to thrive. MEA suggests the following amendment, p. 3 lines 1-2 “IF ~~THE SOLAR GENERATING STATION IS ON LAND ZONED FOR AGRICULTURAL USE OR SILVICULTURAL USE~~ AGRICULTURALLY ZONED LAND IS BEING PARTIALLY OR TOTALLY TAKEN OUT OF AGRICULTURAL PRODUCTION OR SILVICULTURAL USE.” Otherwise, the required payment toward the conservation and restoration fund could disincentivize solar development on optimal land.

While MEA is working closely with state agencies to identify opportunities for the State to procure solar energy, Section IV of the bill as introduced poses significant feasibility challenges and immense administrative burdens, particularly the requirement to procure 200 megawatts of solar energy per year and the proposal to massively expand the scope of MEA’s Solar Technical Assistance Program. MEA therefore supports the amendment proposed by the sponsor to remove p.7 line 25 through p. 11 line 19.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Evie Schwartz directly (evie.schwartz@maryland.gov, 443.537.5538).