

February 29, 2024

BILL NUMBER: House Bill 1328 – First Reader

SHORT TITLE: Solar Energy and Energy Storage – Development and State Procurement

DEPARTMENT'S POSITION: LETTER OF INFORMATION

EXPLANATION OF DEPARTMENT'S POSITION:

The Maryland Department of Natural Resources provides the following information regarding House Bill 1328. DNR's Power Plant Research Program (PPRP) would be tasked with the majority of the Department's impacts including meeting coordination, technical assistance, and leading the development of recommendations on solar siting affecting agriculture and land use. There are also no additional funds provided in the bill for increased PPRP staff and consultants.

BACKGROUND INFORMATION:

PPRP coordinates the environmental and socioeconomic statewide CPCN. As such, PPRP has both the expertise and experience to fulfill these complicated tasks with proficiency. In addition, PPRP completed the *Siting and Safety Best Practices for Battery Energy Storage Systems Report* in February 2022, a comprehensive analysis of battery energy systems. This will set the basis for the required reports in this bill. PPRP has energy storage experts as consultants who can provide technical expertise as required.

The Power Plant Research Program at the Department is funded through the Environmental Trust Fund Surcharge on all electricity customers in the State. The current rate of \$.0001500/kWh has been in place for the last 35 years and if PPRP's workload continues to be increased, the current funding levels from the Environmental Trust Fund will not be able to meet future and current workloads.

BILL EXPLANATION:

This bill would create a fund using payment from solar generating facilities on agricultural lands; establish the Utility-Scale Solar Design and Siting Advisory Commission; procure 200 megawatts of solar energy for the State; and require MEA's Solar Technical Assistance Program to analyze land suitable for solar. The legislation requires DNR to staff the Utility-Scale Solar Design and Siting Advisory Commission likely through the Power Plant Research Program (PPRP). Two reporting deadlines are included: by the end of 2024, recommendations on specific technical aspects of siting solar; and by the end of 2025 recommendations for Best Management Practices and a Model Policy for the development of solar generating stations (>2 MW), as well as decommissioning standards. The bill also requires the PSC to convene at least once every 10 years going forward. Lastly, the legislation also directly invokes the PPRP to participate with the Commission's Energy Storage Working Group to develop model permitting standards for energy storage devices as well as fire suppression standards.