Committees: Economic Matters; Appropriations

Testimony on: HB1328 Solar Energy and Energy Storage – Development

and State Procurement

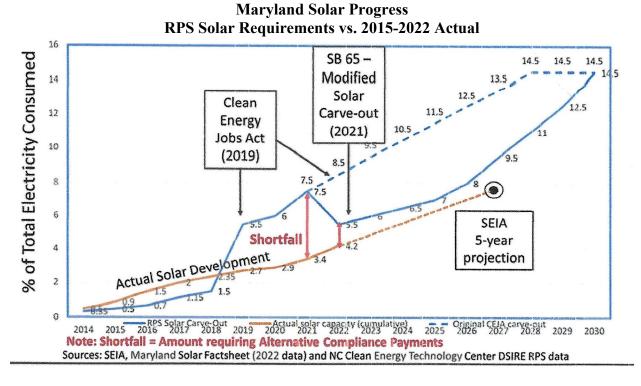
Submitting: Deborah A. Cohn

Position: Favorable

Hearing Date: February 29, 2024

Thank you for allowing my testimony today regarding HB1328. I urge a favorable report by the Committee.

The Problem: The Renewable Portfolio Standard (RPS) calls for 14.5% of Maryland's clean electricity to be contributed by solar energy by 2030, but the State has repeatedly fallen significantly short of the interim targets.



After considerable effort, representatives of the solar industry, counties, and agricultural, land use and environmental groups were unable to agree on a process for allocating among the counties their respective contributions toward meeting the 14.5% goal by 2030, for streamlining the process for obtaining certificates of public convenience and necessity (CPCN) from the Power Plant Research Program (PPRP) in the Department of Natural Resources (DNR), and for balancing Maryland's goals for protecting and preserving Maryland's natural resources with support for more solar power generation. Some participants were also concerned that certain counties had land use laws effectively precluding development of utility-scale (2MW or greater) solar energy generating systems in significant swaths of these counties.

The Solution: The wide range of issues discussed above have been divided between two bills. Both bills would bring in participation by the Public Service Commission (PSC) and several state agencies. Both changes should be helpful.

HB1407 would proscribe county land use laws that significantly restrict siting of solar energy generation facilities, allocation among counties of the amount of solar energy generating capacity needed in that county, and PSC oversight of county plans to develop more solar generating capacity. It does not directly address streamlining the CPCN process regarding solar energy generating facilities.

HB1328 provides counties information and support for balancing state goals of developing new solar energy generating facilities and protecting and conserving Maryland's natural resources. These are designed to help counties develop strong plans for promoting significantly more solar energy generation. This testimony reviews four areas of strength in HB1328.

Conservation and Restoration Fund: Meeting the State's solar energy generation goals may require installation of larger solar generating stations on lands zoned for agricultural or silvicultural use. HB1328 laudably authorizes counties to require developers of solar generating stations on these lands to contribute to a fund to be used to conserve or restore the land and to provide financial incentives for solar development in other parts of the county. These funds will enable counties to protect sensitive lands and incentivize solar installations on developed lands on which installations typically are more expensive.

<u>Utility Scale Solar Design and Siting Advisory Commission</u>. HB1328 would create a Utility-Scale Solar Design and Siting Advisory Commission (Advisory Commission) within the PPRP. The Advisory Commission is tasked with balancing competing goals related to solar energy development and land conservation and preservation. Taking into account these competing land use priorities and taking advantage of siting opportunities on developed land are critical given that Maryland is the <u>fifth most densely populated state</u>, making land a highly constrained resource.

Importantly, HB1328 ensures broad public participation including solar developers, land use and farming interests, rural and developed counties from different regions of the state, relevant state agencies, the PSC and environmental non-profit organizations. That is its strength. With this more limited scope of issues compared with the prior efforts in 2023, and with the participation of state agencies and the PSC, the Advisory Commission may be more successful in achieving consensus than the earlier efforts to balance solar energy development and land conservation and preservation.

State Studies to Help Counties Develop Best Practices. Counties will need to develop local land use priorities to balance solar energy development with protection of agricultural lands and natural resources. The Advisory Commission's recommendations regarding best practices for siting solar energy generation stations, a model policy for the development of these generating stations in each county, and methods by which local jurisdictions may prioritize development of solar energy while protecting local land use priorities may prove very helpful. Also helpful is proposed State Government Article §9-2016 requiring DNR to identify land throughout the state suitable for solar energy development, and to develop a database identifying state land suitable

for solar energy development. The technical information provided to the Solar Technical Assistance Program and Section 2 of the bill to ensure additional staff in the PPRP to support and guide local governments on the permitting process for solar energy development also will support counties in developing quality plans to promote solar energy development policies and programs.

Model Permitting Standards for Energy Storage Devices. When seeking to increase solar energy generating stations, ensuring sufficient energy storage devices is also critical. Proposed Public Utilities Article §7-216.2 that would authorize the PSC, with the PPRP and the PSC's Energy Storage Working Group to develop model permitting standards for energy storage devices. Ensuring permitting standards that protect *all* aspects of the public interest, including rapid deployment of energy storage capacity, is appropriate.

Summary: HB1328 provides a comprehensive approach to supporting counties in preparing plans that will balance development of more solar energy generation with land conservation and preservation and that are sensitive to local county conditions and priorities. I urge the Committees to issue a **FAVORABLE** report.

Thank you.

Deborah A. Cohn

¹ References to the Maryland Agricultural Land Preservation Foundation should be deleted.