STATE OF MARYLAND

# PUBLIC SERVICE COMMISSION

February 27, 2024

Chair C.T. Wilson
Economic Matters Committee
Room 231 House Office Building
Annapolis, MD 21401

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

Dear Chair Wilson and Committee Members:

The Public Service Commission (PSC) is the State agency responsible for issuing a Certificate of Public Convenience and Necessity (CPCN) for any generation station larger than 2 MW of output, including solar projects. As such, the PSC is involved in the final determination of the siting of such projects, with input from various other State agencies, the County in which the project will reside, and the public. HB 1328 provides a framework for further guidance on the siting and decommissioning of these projects. The Public Service Commission (PSC) provides informational comments on HB 1328 for your consideration.

HB 1328 would establish a Utility-Scale Solar Design and Siting Advisory Commission ("Advisory Commission") within the Power Plant Research Project (PPRP). The PSC would appoint one member to the Advisory Commission to work alongside various other enumerated representatives to provide the Governor and General Assembly recommendations on, among other things, best practices for the siting of solar generation facilities.

Further, HB 1328 would add a new § 4-325 to the State Finance and Procurement Article and require the Department of General Services (DGS) to annually contract for 200 MW of solar energy from 2026 through 2035. The bill would require the PSC to serve as a consultant to the DGS in such solicitation and procurement. The PSC notes that the Maryland Energy Administration and Power Plant Research Program (PPRP) should be included in the consultation with DGS to procure the solar energy. Section 4-325 of this proposed legislation also states that DGS shall procure 200 MW's of solar energy annually through 2035. This would result in the state procuring a total of 2000 MW of solar energy by 2035 which, for reference, is roughly twice the amount of Net-Metered solar capacity that has been installed in the State from 2008 to 2023.

During the 2023 Legislative session, the Maryland General Assembly passed HB 910, which requires the Public Service Commission (PSC) to establish the Maryland Energy Storage Program and set targets for the cost-effective deployment of new energy storage devices in the State with a goal of achieving at least a cumulative total of 3,000 MW by the end of 2033. The Maryland Energy Program Working Group has been established to develop and implement that program. HB1328 builds on the provisions of HB 910.

HB 1328 would add a new section, §7-216.2, to the Public Utilities Article (PUA) and require the PSC, in consultation with its Energy Storage Working Group, PPRP, and the State Fire Marshal, to develop model permitting and fire suppression standards and requirements for energy storage devices. The PSC notes that its Energy Storage Program Working Group is presently beginning to address these issues. The Working Group has established a Safety and Environmental Subgroup to develop standards that address energy storage safety in Maryland. Several safety concerns that the Subgroup will address include size and technology-specific requirements, risk assessment plans, emergency response protocols, fire and explosion prevention, safe damaged battery removal, decommissioning and disposal plans, potential salvage of batteries and equipment, public engagement and participation, and any additional issues or concerns expressed by stakeholders.

The Public Service Commission appreciates the opportunity to provide informational comments on HB 1328. Please direct any questions you may have to Christina Ochoa, Director of Legislative Affairs, at christina.ochoa1@maryland.gov.

Sincerely,

Frederick H. Hoover, Chair
Maryland Public Service Commission