CCSA testimony_HB 1407_2-27-2024.pdf Uploaded by: Charlie Coggeshall

Position: FAV



RE: HB 1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Favorable

Chair Wilson and members of the House Economic Matters Committee,

The Coalition for Community Solar Access (CCSA) provides this written testimony regarding House Bill (HB) HB 1407. CCSA's position on this legislation is Favorable.

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, 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 program will play a critical role in helping the state meet its clean energy requirements, while also ensuring electricity cost savings reach those that need it most (e.g., the program requires at least 40% project capacity to benefit low-to-moderate income customers).

Chair Wilson's HB 1407 would: (1) prevent a county from adopting zoning laws or other regulations that restrict or prohibit the construction or operation of Tier 1 renewable sources; and 2) require the Public Service Commission (PSC) to determine the amount of renewable sources needed from each county to meet the state's renewable portfolio standard, and in turn require each county to meet a certain generation plan within ten years.

CCSA appreciates the objective of HB 1407 to improve clean energy siting at the local jurisdictional level. Siting is the most pressing barrier to community solar deployment in Maryland, and projects that are two megawatts or smaller are entirely subject to local jurisdictional zoning and regulation. CCSA has identified roughly a dozen counties as being restrictive or prohibitive to community solar. This includes multiple counties that have adopted either explicit or de facto bans on community solar development on agricultural land.

CCSA urges a favorable report on HB 1407 to ensure counties establish reasonable local zoning and regulations that allow landowners to use their land for renewable energy development, while supporting the state's broader energy requirements. Though not opposed to county-specific energy requirements, CCSA would flag that there are likely other considerations for such an analysis beyond a county's energy load and population. For instance, it may be beneficial to instead perform a technical analysis of the renewable energy potential in each county based on other factors such as interconnection capacity, utility infrastructure, and available land.



1380 Monroe Street NW, #721 Washington, DC 20010 720.334.8045 <u>info@communitysolaraccess.org</u> www.communitysolaraccess.org

Sincerely,

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

Carrington 2024 HB1407 - County Tier 1 Renewable S Uploaded by: Darrell Carrington

Position: FAV



HB1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

SUPPORT

Carrington & Associates, LLC is writing to express our support for HOUSE BILL 1407, which addresses crucial aspects of County Tier 1 Renewable Sources, focusing on generating systems, capacity, and generation. This bill presents a thoughtful and comprehensive approach to advancing renewable energy goals within our communities and the state of Maryland.

Key points of support for HOUSE BILL 1407 include:

- 1. **Promoting Renewable Energy Development:** By prohibiting counties from establishing zoning laws that restrict or prohibit Tier 1 renewable source generating systems, the bill encourages the development and operation of renewable energy facilities. This stance aligns with the imperative to transition towards cleaner and more sustainable energy sources.
- 2. **Strategic Planning through Studies:** The bill mandates studies by the Public Service Commission and individual counties to assess electricity demand, required capacity, and energy generation from Tier 1 renewable sources. This data-driven approach ensures that renewable energy goals are aligned with the actual needs of each county, fostering a strategic and realistic implementation plan.
- 3. **Oversight and Compliance:** The establishment of a Renewable Energy Compliance and Oversight Plan by the Public Service Commission, coupled with a 10-year Tier 1 Renewable Source Generation Plan for each county, provides a robust framework for monitoring progress and ensuring compliance. This structured approach helps to track milestones, address challenges, and keep counties on target to achieve renewable energy requirements.
- 4. **Regional Cooperation:** Recognizing the potential benefits of regional cooperation, the bill allows counties to collaborate on a regional basis to achieve renewable energy goals. This flexibility acknowledges the interconnected nature of energy systems and encourages efficient resource utilization.
- 5. **Support for Local Economies:** The bill, by allowing counties to attract outside investment and establish incentives, supports local economies. It provides an avenue for economic growth through the development and utilization of renewable energy resources, potentially creating jobs and fostering innovation within each community.
- 6. **Assistance and Expertise:** Acknowledging the complexity of renewable energy projects, the bill allows counties to seek assistance from state units with expertise in renewable energy generation, deployment, and financing. This collaborative approach enhances the likelihood of successful and sustainable projects.

In conclusion, HOUSE BILL 1407 represents a forward-thinking and pragmatic approach to advancing renewable energy initiatives at the county level. Its provisions ensure a balance between environmental goals and the unique characteristics of each community. We respectfully request a FAVORABLE report for HB1407, recognizing its potential to contribute significantly to Maryland's renewable energy portfolio and the broader goals of sustainable and responsible energy development.

HB1407.RenewablesCapacity.Audubon.pdf Uploaded by: Jim Brown

Position: FAV



February 27, 2024

To: Chairman Wilson and members of the Maryland House Economic Matters Committee

From: Jim Brown, Policy Director, Audubon Mid-Atlantic

Subject: Favorable Testimony for Maryland HB 1407 County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Audubon Mid-Atlantic submits this testimony in support of House Bill 1407. Audubon Mid-Atlantic is the regional office of National Audubon Society, representing over 35,000 Marylanders who advocate for the protection of birds, bird habitat, and policies aiming to protect both birds and human communities in the face of increasing environmental challenges, habitat loss, pollution, and climate change. We work with partner organizations, government agencies, and local communities, using science to protect birds and the places they need to survive. Audubon supports HB 1407 because it will help the state of Maryland reach our climate goals and protect birds from the impact of climate change now and into the future.

Adopting renewable energy is critical to reducing pollution, lowering temperatures, and preserving the places that birds need to survive. Audubon supports renewable energy - including wind and solar —that is properly sited in ways that avoid, minimize, and mitigate negative impacts on birds and other wildlife.

Science tells us birds are in decline due to habitat loss and climate change. 1/3 of eastern forest and grassland bird species experienced significant population declines in the past 50 years. Iconic Maryland birds such as the Wood Thrush, American Kestrel, Brown Thrasher, Eastern Meadowlark and Baltimore Oriole are in decline. On the Eastern Shore the endangered salt marsh sparrow is losing critical habitat each year due to climate related sea-level rise. HB 1407 will enable Maryland to slow and reverse these trends by encouraging a transition to non-greenhouse gas energy production in Maryland.

From our Atlantic shoreline and Chesapeake Bay marshes to our urban parks and western Maryland mountains, birds in Maryland are under threat. Birds and the special Maryland landscapes they depend on will benefit from the measures of HB 1407. Just as birds and people use every jurisdiction in the state, we believe that every county must play their part to determine how the state meets our energy and climate needs. HB1407 will facilitate that process. While not everywhere is appropriate for renewable energy development, local municipalities will benefit from working with the PSC, state agencies, the public, and environmental organizations to form appropriate siting targets, incentivizing appropriate siting so each county can be part of Maryland's climate action planning process.

The Science tells us:

- Greenhouse gas induced climate change is the most significant threat to birds and people in Maryland.
- Transitioning to renewable energy sources such as wind and solar will mitigate and slow the impacts of climate change on our vulnerable human and bird communities.
- When proper siting considerations are followed, wind and solar development minimizes threats to birds and other wildlife.

With proper siting considerations and robust engagement from the scientific community HB 1407 will protect birds by creating a more resilient environment. It will also continue to hold Maryland up as a leader in climate action and equitable land-use planning It will also help the state reach the ambitious goals established in the important Climate Solutions Now Act.

Audubon Mid-Atlantic respectfully urges a favorable review of this legislation.

Thank You,

Jim Brown Policy Director Audubon Mid-Atlantic Jim.brown@audubon.org

Chaberton Energy- John Miller- HB 1407 Written Tes Uploaded by: John Miller

Position: FAV

2 chaberton

February 27, 2024

To: House Economic Matters Committee

Re: **HB1407**: Electricity- County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans - **Favorable**

Dear Members of the Economic Matters Committee of the Maryland General Assembly:

My name is John Miller. I live in Woodstock, Howard County, Maryland. I represent Chaberton Energy, a local Maryland based renewable energy developer with offices at 1700 Rockville Pike, Suite 305, Rockville, Montgomery County, Maryland. Chaberton Energy was built upon the framework that the State set up with the Community Solar Program. In nearly four years, we have grown and now employ 45 people, with 18 located in Maryland. We have multiple solar projects operating in Maryland, as well as a robust pipeline of projects in construction and development.

I have worked in solar energy for nearly 15 years, doing residential, commercial, utility scale, and, for the last 8 years, Community Solar. I have developed dozens of projects throughout the Northeast, Mid-Atlantic, and the Mid-West.

The Projects we develop deliver real and tangible benefits to your constituents, the residents of Maryland. We are able to save homeowners an average of \$150 per year on their utility costs; each Community Solar project supports well over \$2.5M in savings for subscribers. These savings increase even more for Low to Moderate Income (LMI) subscribers. As an industry, we support ensuring the benefits of solar energy flow to those who need it most. The energy bill savings we can offer to LMI subscribers provide a necessary lifeline to those struggling with increased energy costs.

These projects also support Maryland by delivering additional tax revenue to the State and its counties. Each project will deliver hundreds of thousands of dollars, if not over a million dollars, in tax revenue, all while not requiring any local services or costs. While delivering tangible financial benefits, these projects also provide significant environmental benefits to support Maryland's efforts to being a leader on climate change. Based on the EPA's Greenhouse Gas Equivalencies Calculator, a typical 2 megawatts ac project offsets carbon emissions by ~3,700 tons of CO2 per year, compared with electricity generated from traditional sources. This is equal to the emissions of over 3.7M pounds of coal burned, over 3.8M miles driven by gasoline powered cars and is equal to the same amount a carbon captured by nearly 4,000 acres of local forests. That is all for a single project!

Maryland offers a unique challenge in terms of permitting projects. Many developers who are not located in, or are experienced in developing projects in Maryland, are unable to navigate the permitting process. Furthermore, with only 16 of the 23 counties in Maryland primarily served by a utility that participates in the Community Solar program, this leaves a limited amount of area to develop solar projects. Since the Community Solar program began, the area available for development has been reduced as several counties enacted

2 chaberton

total prohibitions on solar development, whether through temporary moratoriums, permanent/outright bans, or via intensively restrictive constraints on solar development as compared to other similar types of land uses. There are also multiple instances of projects meeting all local guidelines and ordinances, only to be denied by the County for apparently arbitrary reasons. Complicating the picture further, much of the area in those Counties with a more practical approach is rapidly becoming no longer viable for future solar projects due to a lack of grid capacity given the existing solar generation already in place. This has led to an inequitable distribution of certain counties shouldering a much larger portion of the State's goals while others continue to fall further behind.

The most recent report on the Renewable Portfolio Standard shows that the State is behind in meeting its energy goals. Specifically, per the latest report for 2022, the State only met ~55% of its obligations of the solar-carve out, which led to over \$80M in penalty payments levied on the utilities. The solar carve-out is scheduled to increase significantly from 5.5% for 2022 to 14.5% by 2023, and based on current projections the State will continue to fall further behind on meeting these goals. As a Maryland based developer, who operates in Maryland, a primary reason for this deficit is due to local permitting prohibitions and restraints. We simply are not going to be able to keep up with the increasing RPS goals, and most likely are going to continue to fall further behind, unless we are able to get these projects permitted.

We commend Chair Wilson's efforts to identify solutions to this growing problem.

Community Solar is about more than the financial and environmental benefits; it is also about land preservation, landowner rights, free market competition for electricity, and energy choice for all Marylanders.

In order to keep building on the successes of Maryland, and to keep fostering jobs for a strong local economy, stimulating tax revenue, saving the people of Maryland money on their energy bills, supporting energy equity to LMI residents, and providing energy choice to all residents, it is imperative that there is a path to get local solar projects permitted and approved. We ask that the Economic Matters Committee issue a favorable report on HB1407.

Respectfully Submitted,

John Miller Chaberton Energy

CHESSA - MD - ECM Testimony HB1407 Favorable 20240 Uploaded by: Robin Dutta

Position: FAV



29 February 2024

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

Testimony HB1407: County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Position: Favorable

Chair Wilson, Vice Chair Crosby, Members of the Committee, thank you for the opportunity to testify on House Bill 1407, County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans. I am Robin Dutta, the Executive Director of the Chesapeake Solar and Storage Association (CHESSA). Our association has over 100 member companies in the solar and energy storage industries. Many members are Maryland-based. Others are regional and national companies with an interest and/or business footprint in the state. Our purpose is to promote the mainstream adoption of local solar, large-scale solar, and battery storage throughout the electric grid in order to realize a stable and affordable grid for all consumers.

I am here to provide testimony in support of HB 1407, County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans. This bill prioritizes solar deployment and the need for Maryland to deploy clean energy as quickly as is practicable. It also recognizes that the clean energy revolution requires an "all hands on deck" engagement. Solar adoption of all kinds should be encouraged, in order to help lower consumer energy burdens and to improve how Maryland's electric grid serves its residents.

It is imperative that Maryland energy policy promote solar development in the state as quickly as is practicable and reasonable. The PSC's <u>Renewable Energy Portfolio Standard Report for Calendar</u> <u>Year 2022</u> showed that the state fell far short of meeting the solar carve-out target. Only 55% of the state's 2022 solar target was met, showing that there was not enough deployment of solar capacity across residential, commercial, community solar, and wholesale market solar projects in Maryland. Maryland's nation-leading solar targets will ramp up considerably, and economic realities continue to hamper the needed growth in the state's solar industry.

Solar cost declines are not something that can be assumed year-over-year. While global solar module pricing is currently declining, that is due to Chinese module production that cannot be imported into the United States due to various trade and high tariff barriers. Rising interest rates have increased financing costs across all sectors, impacting cost of capital from residential loan and lease rates to

utility-scale construction loans. In the utility-scale sector in particular, labor and engineering costs have increased nationally by as much as 25%, per the independent research firm Wood Mackenzie¹. This makes the state of the solar industry complicated, where headlines of growing deployments do not capture the whole story.

Larger, utility-scale solar faces its own headwinds. In that same analysis, Wood Mackenzie shows that those larger solar projects saw 5-6% cost increases year over year. There are also supply chain issues being dealt with, even as broader economic issues from the COVID-19 pandemic have subsided. That makes delays and additional obstacles tied to project siting additional impediments to deploying solar and sometimes challenging the viability of these projects.

Maryland energy policy needs to reflect the urgency to deploy more in-state solar, not only to meet the solar-specific targets but because near-term solar deployments should be a major part of the state's decarbonization actions. That is what makes HB1407 a good idea. In order for all of Maryland to benefit, local clean energy also needs to be constructed throughout the state. Clean energy deployment is an imperative, and its community benefits should not be obstructed by NIMBYism. These benefits include not only the environmental and health benefits of fighting climate change, but also electric grid resiliency, reliability, and affordability improvements.

As Marylanders fully electrify their buildings and purchase electric vehicles, they will become more reliant on the electric grid than at any previous point. The grid of the future will have the combined roles that today's grid, natural gas system, and gas stations have. It will need to account for higher statewide electric loads, and greater electric demand in peak periods. As a result, Maryland solar needs to be built on homes, businesses, and on open land for the benefit of the Maryland electric grid.

For these reasons, we urge the Economic Matters Committee to issue a favorable report on HB1407.

Thank you for the opportunity to testify, and please reach out with any questions on solar and storage policy. CHESSA is here to be a resource to all committee members.

Sincerely,

Rom K. Sutte

Robin K. Dutta Executive Director (acting) Chesapeake Solar and Storage Association robin@chessa.org

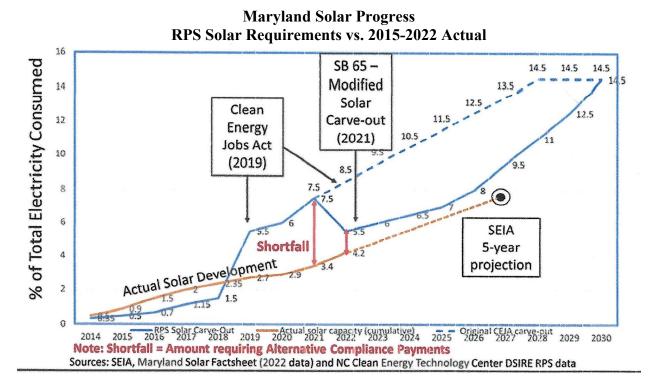
¹ Wood Mackenzie and Solar Energy Industries Association. "US Solar Market Insight, Executive Summary". Q4 2023. Released December 2023. p15

Testimony on HB1407 FINAL.pdf Uploaded by: Debbie Cohn Position: FWA

Committee:	Economic Matters
Testimony on:	HB1407 – County Tier 1 Renewable Sources – Generating
Systems, Capacity, and Generation – Prohibition, Studies and Plans	
Submitting:	Deborah A. Cohn
Position:	Favorable With Amendments
Hearing Date:	February 29, 2024

Thank you for allowing my testimony today regarding HB1407. I recommend that the Committee amend the bill to modify certain provisions and then issue a favorable report.

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 over multiple months, 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 (however ultimately determined) toward meeting the 14.5% goal by 2030 and 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. Some participants were 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: This testimony comments on four elements of the bill designed to overcome these obstacles and put Maryland on a path to meet its solar energy goals.

<u>Proscribing County Zoning Laws That Effectively Prohibit Certain Energy Generating Systems.</u> Certain counties have adopted zoning laws that effectively prohibit installation of community solar and larger installations on most agricultural land. State law needs to override these local laws. That said, under some of these zoning laws some larger installations *may* still be able to be approved under the standard CPCN process. Any proscription of certain local zoning laws should clearly indicate that it does not overrule the CPCN process for larger solar energy projects.

I oppose, however, the reference to "Tier 1 renewable source generating capacity" throughout the bill rather than "solar energy generating capacity." The problem that needs addressing is the state's failure to meet annual targets for new *solar energy* generating capacity. HB1407 should focus solely on that problem or at most on solar energy generating systems and onshore wind energy.

<u>Determining Amount of Generating Capacity Needed in Each County to Meet the State's Solar</u> <u>Energy Target</u>: I agree that some method is needed to determine the appropriate contribution of each county toward meeting the state's solar energy goal and that the Public Service Commission is best suited to develop and oversee this process. Accordingly, I support the process described in HB1407 (Public Utilities Article, §§7-703.1(a)(1) and (2)), which calls for the Public Service Commission (PSC) to recommend county contributions. That said, I have two concerns.

First, the proposed §§7-703.1(a)(1) and (2), appear to call for each county to be solar energy selfsufficient, regardless of likely differences in costs and benefits. While these sections call for the allocation of solar energy "on a proportional basis" to be determined by the PSC based on a "variety of factors," the proposed language puts a thumb on the scales by highlighting as relevant factors each county's use of electricity and population. Developing more solar energy generation in Maryland is not merely an energy issue. It is also, critically, a land use issue, which requires balancing solar energy development goals with conservation and preservation goals for land and important natural resources. Taking into account these competing land use priorities is critical given that Maryland is the <u>fifth most densely populated state</u>, making land a highly constrained resource.

Accordingly, many more factors than county population and electricity use are relevant in allocating each county's required minimum contribution of solar energy generating capacity, and different participants in the PSC study likely will have different views as to the appropriate relative weight of each factor. I therefore strongly recommend that Section 7-703.1(a)(1)(ii) end with the word "subtitle" on line 11 and that the remainder of line 11 through the end of line 18 be stricken.

Second, the PSC study provided for under Section 7-703.1 needs to ensure broad public participation as this will be critical to ensuring that the basis for allocating responsibility among the counties is appreciated by local county interests and broadly accepted. Typically, the PSC would routinely include not only by representatives of the solar industry, utility companies, and state agencies knowledgeable about electricity generation issues, but also state agencies and other representatives knowledgeable about land use conservation and protection of natural

resources. The concerns of counties likely will vary, however. While individual counties may choose to intervene, ensuring participation by counties that are densely developed and those rural counties with a higher proportion of land devoted to farming, and by counties from different parts of Maryland will be important. Adding to HB1407 some statement of concern for broad representation, and broad county representation in particular, may be helpful in ensuring broad acceptance of the PSC study's determinations.

<u>County Studies and Solar Development Plans</u>: Subject to the previous comments about the use of "Tier 1 renewable source generating capacity", I support the provisions in HB1407 (Public Utilities Article, §7-703.1(b)) requiring each county, by specified dates, to study and then submit to the PSC for its review a report on how much solar energy generating capacity the county could provide to satisfy its assigned contribution toward meeting the state's 14.5% solar energy goal. Requiring each county to develop such a detailed plan will help ensure that the state goal is met.

To allow comparability among counties, however, I suggest that §7-703.1(b) be amended to require each county to base its plan on information¹ to be provided in the database mandated under HB1328 identifying land suitable for solar energy development and on technical details on the electricity grid from utilities.

Finally, I am concerned that HB1407 envisions each county's meeting its solar generation requirements within 10 years, rather than the state's goal of achieving a 14.5% solar energy carve-out by 2030, *i.e.*, within seven years. Accordingly, I recommend that HB1407 be amended to require that each county's plan be designed to allow it to meet its share of the 14.5% target by 2030.

Monitoring Progress toward Meeting State Solar Energy Goal: I applaud the provisions in HB1407 (Public Utilities Article, §7-703.1(c)) directing the PSC, after receiving the county solar energy development plans, to create a Renewable Energy Compliance and Oversight Plan to ensure that each county meets its target over ten years, including its 2030 interim target. I also support directing the PSC (i) to create reasonable timelines for each county, with interim status reviews to adjust the provisions of the county plans to ensure that the state meets its 2030 goal, and (ii) to inform the relevant committees of the General Assembly in case changes to state law to facilitate and incentivize more rapid solar energy development are needed.

Summary: I urge the Committee to amend HB1328 and adopt a version of Public Utilities Article §7-703.1 as proposed in this testimony. I would then urge a **FAVORABLE** report by this Committee.

Thank you.

Deborah A. Cohn

¹ Proposed State Government Article, Section 9-2016(a), (b) and (c) in HB1328.

HB1407-FWA-AdvocatesForHerringBay.pdf Uploaded by: Kathleen Gramp

Position: FWA

Advocates to Herring Ba

Testimony of the Advocates for Herring Bay¹ Regarding HB 1407, County Tier 1 Renewable Sources Submitted by Stephen Marley, February 27, 2024

Favorable with amendments

One of the challenges of transitioning to clean energy is the need to balance Maryland's energy goals with other land use and environmental priorities. HB 1407 would address that challenge by altering the role of local governments. For example, the bill would limit the authority of county governments to regulate certain renewable energy facilities and direct the Public Service Commission (PSC) to set targets and oversee plans for counties to provide specified levels of renewable electricity production within a 10-year period.

The approach to local input in HB 1407 appears to be at odds with the findings of a recent federal study on stakeholder acceptance of solar projects. That research suggests that having a "community-centered process" that "gives meaningful consideration" to local economic, environmental, and other impacts is needed to "earn and maintain support from host communities."²

To ensure that "reforms" do not undermine public confidence in Maryland's decision-making process, the Advocates for Herring Bay (AHB) urge the Committee to amend HB 1407 in four ways:³

- 1. Strike the prohibition on localities "restricting" renewable energy projects. (See 4-211.1(B)) Barring counties from adopting zoning laws or other regulations that "*restrict*" the construction or operation of energy projects would usurp local authorities under the Forest Conservation Act, Critical Area law, stormwater acts, and other state statutes to tailor environmental performance standards to local conditions. Exempting energy projects from any regulation deemed to be a "restriction" could harm forests and water quality and set a precedent for other commercial and industrial sectors to be treated in a similar manner. It also could lead to costly litigation regarding the definition of "restrict."
- 2. Limit the scope of the ban on local "prohibitions" to projects with zero net emissions. (See 4-211.1(B)) AHB does not support taking away local authority to ban the construction and operation of incinerators and other facilities that may pollute the air and water or harm the health and safety of local residents. In our view, any ban on prohibitions should only apply to Tier 1 sources that will help Maryland achieve its net zero emission goals in an environmentally sound manner.
- **3.** Direct the PSC to analyze multiple factors when setting county generation targets. (See 7-703.1) Under HB 1407, the PSC would set county-specific generation targets based on population and uses of electricity, without regard for the feasibility or consequences of having a county provide that amount of renewable energy in a 10-year period. Ignoring supply-side constraints may result in aspirational plans that yield little new capacity by that deadline.

¹ The Advocates for Herring Bay, Inc. is a community-based environmental group in Anne Arundel County.

² See Lawrence Berkeley Laboratory, <u>Stakeholder Perspectives on the Impacts and Benefits of Hosting Large-Scale</u> <u>Solar</u>, January 2024.

³ Illustrative text for possible amendments is provided at the end of this document.

We question, for example, whether it is realistic to assume that the four most populous counties—Montgomery, Prince George's, Baltimore and Anne Arundel—could provide over 50 percent of the generation needed to meet the statewide goal, especially given the absence of sufficient state incentives for solar canopies and the smaller average size of available surfaces and parcels in those jurisdictions. While HB 1407 would allow regional cooperation to meet production targets, executing inter-county agreements would add costs and delays to the process.

In our view, tangible progress toward clean energy will require realistic targets. To make the planning process more effective and transparent, AHB recommends authorizing the PSC to examine all relevant supply and demand issues before setting county-specific targets, including an analysis of potential impacts on lands with high ecosystem services value.⁴

4. Clarify the geographic and legal scope of "regional" cooperation agreements to meet county supply obligations (See 7-703.1(D)). Because HB 1407 does not define "regional" cooperation, it is unclear whether counties could partner with any county in the state or whether those transactions would be limited to jurisdictions that are contiguous or within a certain radius. Similarly, the bill does not provide any guidance on the duration or terms of such contracts. AHB recommends clarifying the Committee's intent.

Illustrative text for amendments to address AHB policy issues

Items 1 and 2 regarding restrictions and prohibitions on local government actions

4-211.1(B), page 3 Line 24: strike "restrict or" Line 25: insert "with zero net emissions" after "Tier 1 renewable sources"

Item 3 regarding PSC analysis of county generation targets

7-703.1, page 5 Line 11: strike "proportional basis" and insert "feasible and environmentally sound basis."

Line 17: strike "and"

After line 18, insert:

(III) the potential loss or degradation of forested and other lands identified by the Maryland Department of Natural Resources as having high ecosystem services value;

(IV) the availability of impervious and impaired surfaces that are economically and technically feasible for solar installations, including rooftops, parking areas, brownfields, and rights-of-way; and

(V) any other features or factors identified by the Commission that may affect the ability of a county to meet the state's generation goals.

⁴ Under the bill, renewable energy development would be concentrated in counties that experienced a significant loss of forests over the 2013-2018 period, including Prince George's Anne Arundel, and Montgomery (see 2022 report by the Hughes Center on Agro-Ecology).

HB1407 - MDLCV Favorable With Amendments - County

Uploaded by: Kristen Harbeson Position: FWA



Kim Coble Executive Director

2024 Board of Directors

Lynn Heller, Chair The Hon. Nancy Kopp, Treasurer Kimberly Armstrong Candace Dodson-Reed Verna Harrison Melanie Hartwig-Davis Charles Hernick The Hon. Steve Lafferty Patrick Miller Bonnie L. Norman Katherine (Kitty) Thomas February 29, 2024

Favorable With Amendments: HB1407 - County Tier 1 Renewable Sources -Generating Systems, Capacity, and Generation - Prohibition, Studies, and Plans

Mr. Chair and Members of the Committee:

Maryland LCV supports the goals advanced in HB1407 - County Tier 1 Renewable Sources - Generating Systems, Capacity, and Generation - Prohibition, Studies, and Plans, and thank Chair Wilson for his leadership on this issue. We support this legislation, however respectfully request that the Committee consider amendments to strengthen the policies proposed and further ensure that they align with state goals.

In 2019, the Maryland General Assembly, and this Committee passed the Clean Energy Jobs Act which set ambitious goals for renewable energy development in Maryland, including a requirement that 14.5 percent of our Renewable Energy Portfolio Standard be achieved from solar generation. These goals were further strengthened by the Moore-Miller Administration's commitment to reaching 100% clean energy by 2035. As we work to achieve these goals, it will require participation by the whole state, although not necessarily in equal measure.

HB1407 requires the Public Service Commission to identify for each county the capacity, as well as energy generation from renewable sources required to meet the state renewable energy goals. Using these reports, each county will be required to conduct their own studies on their capacity to satisfy its energy generation responsibilities, and create a renewable energy compliance and oversight plan.

We applaud the underlying philosophy of this legislation, and the broad structure proposed for implementation. However, we urge the Committee to adopt the following concepts to strengthen the legislation.

1. In section 4-211.1. (B), the bill prohibits any zoning laws or regulations that restrict or prohibit the construction or operation of energy generating systems, or facilities that are Tier 1 renewable sources. As drafted, this prohibition is too broad, and could undermine important local and county environmental regulations that support state goals beyond those relevant to renewable energy generation.

- We recommend replacing the language to specify that counties may not adopt zoning laws or other regulations that functionally or explicitly prevent **commercial solar, wind, or geothermal energy development**, including prohibitions on soil classifications. Counties may require ground-mounted solar development to meet certain reasonable design considerations, including limiting grading and forbidding the removal of topsoil, requiring native vegetation mixes or other appropriate protections to maintain soil integrity, and requiring effective stormwater management, which may include avoiding unnecessary soil compaction.
- 2. This legislation mandates the creation of a series of studies and plans at both the state and county levels each of which will prove an essential step in achieving our renewable energy goals. While the legislation does not specifically require either the Public Service Commission or the Counties to address concerns related to the siting of renewable energy projects, land-use and non-energy state goals will be important to consider in addition to the factors identified in this legislation. Additionally, while we acknowledge that public engagement and comment periods are standard practice in both state and county reports of the kind mandated in this legislation, the heightened sensitivities in much of the state to solar development requires additional attention to this practice.
 - We recommend specifying that, in the creation of its report on energy distribution, the Public Service Commission work in concert with other state agencies including the Maryland Energy Administration, and the Departments of Environment, Planning, Natural Resources, and Agriculture.
 - We recommend that for both the state and county reports and plans, preliminary reports be issued, and that opportunities for robust public and stakeholder comment and engagement including public meetings be held before final reports and plans are issued.
 - Additionally, the Committee may consider adding additional questions for the Public Service Commission-led study, including recommendations for best practices of ground-mount solar development in consideration of other state goals.

Maryland LCV looks forward to working with the sponsor and the Committee on amendments that strengthen the goals and objectives of HB1407 in order to fully support its final passage.

HB 1407 Renewable Sources Generating Systems Capac Uploaded by: Cyndy Watts

Position: UNF





JAMES TRAVIS BREEDING, PRESIDENT LARRY C. PORTER, VICE PRESIDENT NORMAN FRANKLIN BARTZ, III., COMMISSIONER 109 Market Street, Room 123 Denton, Maryland 21629

House Bill 1407

County Tier 1 Renewable Sources - Generating Systems, Capacity, and Generation - Prohibition, Studies, and Plans

Position: UNF

Date: February 27, 2024

To: Economic Matters

The Caroline County Commissioners **OPPOSE** HB 1407. This bill seeks to regulate renewable energy generating systems and facilities, particularly Tier 1 renewable sources, at the county level. While we recognize the importance of renewable energy and the need to transition towards cleaner sources of power, we believe that the provisions outlined in House Bill 1407 pose significant challenges for local governance and land use planning.

The bill prohibits counties from establishing zoning laws or other regulations that restrict or prohibit the construction or operation of Tier 1 renewable source generating systems or facilities. By imposing such restrictions, the bill undermines the authority of local governments to make decisions that align with the unique characteristics and needs of their communities.

The requirement in HB 1407 for each county to conduct studies on the amount of Tier 1 renewable source generating capacity it could provide and to create a 10-year generation plan places an undue burden on already stretched local resources. These mandates divert attention and resources away from other pressing local priorities and initiatives.

Additionally, the bill's timeline for compliance and oversight plans may not be feasible for many counties, especially those with limited resources and expertise in renewable energy development. This could result in rushed decision-making and inadequate planning, leading to suboptimal outcomes for both the environment and the community.

The Commissioners respectfully urge your committee to issue an unfavorable report on HB 1407. We urge a reconsideration of HB 1407 provisions, and we support working towards a more collaborative and flexible framework that respects the autonomy of local governments and enables them to pursue renewable energy initiatives in a manner that best suits their communities.

Sincerely,

J. Travis Breeding, President

HB1407-RenewableSources- E-Law.pdf Uploaded by: Elizabeth Law

Position: UNF

Testimony Supporting HB1407

County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Economic Matters

February 29, 2024

Position: Oppose

Dear Chair C.T. Wilson and Members of the Committee,

As a resident of Mayland concerned with the general welfare of my fellow citizens I am writing in to oppose HB1407.

HB1407 is premature. This legislative session is already considering a bill to remove dirty sources of power that somehow found their way into the Renewable Portfolio Standard as Tier I resources. In order to ensure that only clean, renewable sources of power are included in HB1407, first the dirty sources of power must lose their Tier I RPS status.

The Renewable Portfolio Standard, in its Tier 1 "renewable source" per § 7–701 of the Public Utilities Article, includes not only solar, wind and geothermal – which deserve to be in Tier 1 since these are clean and renewable sources of energy. It unfortunately also includes highly polluting sources: trash incineration ("waste to energy"), woody biomass for energy (including pellet factories, sawmills, thermal biomass systems, and general burning of wood), methane from biogas digesters and even poultry litter to energy. Obviously, none of these are clean sources of energy.

This bill has some positive ideas that could be incorporated into a wider evaluation of Maryland's energy needs and how those needs can be satisfied in line with the state's commitment to reducing greenhouse gas emissions via the Climate Solutions Now Act.

Thank you,

Elizabeth Law

HB1407 - County Tier 1 Renewable Sources - OPPOSE Uploaded by: Grayson Middleton

Position: UNF



Educate. Advocate. Innovate.

Date:February 29, 2024To:Members of the House Committee on Economic MattersFrom:Grayson Middleton, Government Affairs ManagerRe:HB 1407 – County Tier 1 Renewable Sources – **Oppose**

Delmarva Chicken Association (DCA), the 1,600-member trade association representing the meatchicken growers, processing companies, and allied business members on the Eastern Shore of Maryland, the Eastern Shore of Virginia, and Delaware opposes HB 1407 and urges an unfavorable committee report.

Chicken growers were some of the first to widely adopt solar technology in Maryland, and DCA fully supports its use as a cost-effective and environmentally friendly energy source. We also believe that other tier 1 technologies such as anaerobic digestion and litter-to-energy have the potential to greatly reduce industry bi-products and carbon footprint.

However, as an agricultural organization representing an overwhelmingly rural membership, we have serious concerns about the state abolishing (or even reducing) a county government's authority in the zoning of renewable energy sources. As many of you will recognize, the zoning of renewable energy facilities (particularly solar) is a contentious issue in rural areas. While we support its use and proliferation, we want to ensure that environmental interests are balanced with the economic and cultural interests of agrarian communities. Because of its geography, prime agricultural lands on the Eastern Shore are some of the most attractive in the state for solar development. Without proper oversight by county governments who know their lands best, this stimulus has the potential to greatly reduce agricultural outputs on the Eastern Shore and throughout the state.

This would pose a significant challenge for our industry. In 2023, our five companies purchased over \$1.5 billion in corn, soybeans, and wheat, comprising the vast majority of grain purchases on Delmarva. As the local output is reduced from the proliferation of solar and other development, the industry is required to import grain from other states and countries at higher prices. This benefits neither our industry nor our local farmers.

Furthermore, we have serious concerns about the potential of large-scale solar projects to reduce grid capacity and thus prohibit some of our members from getting small-scale on-farm solar. We have heard from numerous members who have sought to install solar on their farms but were told they were unable to do so because of the lack of grid capacity in their area. To that end, we support the portion of the bill mandating a study to investigate the grid capacity for renewable energy sources.

We believe that county governments know the needs of their farmers and citizens best. They alone have the intimate knowledge of their localities that is required to responsibly site solar in a manner which prioritizes the preservation of agricultural lands while also supporting the proliferation of solar development.



Educate. Advocate. Innovate.

For these reasons we urge an unfavorable vote on HB 1407.

Should you have any additional questions, please feel free to contact me at Grayson Middleton at <u>middleton@dcahicken.com</u> or 410-490-3329.

Sincerely,

Grayson Middleton Government Affairs Manager

HB1407 - Clean Water Action - Unfavorable.pdf Uploaded by: Jennifer Kunze

Position: UNF



Testimony Opposing HB1407 House Economic Matters Committee February 29, 2024

Position: UNFAVORABLE

Dear Chair Wilson and Members of the Committee,

Clean Water Action respectfully urges you not to pass HB1407, which would prohibit counties from adopting zoning laws or other regulations that restrict or prohibit the construction or operation of energy generating systems or facilities that are defined as Tier 1 renewable energy sources.

Trash incineration, unfortunately, is currently classified as a Tier 1 renewable energy source. It is strongly in the public interest for local governments to be able to restrict or prohibit the construction of new trash incinerators, which are detrimental to the environment and public health. Local governments in Maryland benefit from being able to prevent construction of trash incinerators in residential areas or in close proximity to schools and public health facilities, for example.

Baltimore City's zoning code includes trash incinerators in the list of uses prohibited in all zoning districts in the city (<u>Baltimore City zoning code</u>, pages 22-23). (This zoning code was adopted in 2017 so this provision did not apply to already-built incinerators within the City, including the BRESCO municipal waste incinerator which began operations in 1985.) Reversing Baltimore City's carefully deliberated decision to use its zoning code to prohibit the construction of any new trash incinerators would counteract the City government's wishes to preemptively protect its residents from potential new trash incinerators that may be proposed in the future.

Whether for directly harmful polluters like trash incinerators, or for those truly beneficial Tier 1 sources of energy that still require thoughtful land use planning like solar panels, local zoning codes are meaningful mechanisms for communities to protect themselves from polluters and identify the most beneficial locations for positive land uses. Blanket policies to promote all Tier 1 renewable energy resources can harm local communities' efforts to protect themselves from pollution so long as polluting facilities like trash incinerators remain defined as Tier 1 renewable energy sources. For these reasons, we urge the committee not to pass HB1407, and to revisit the definition of Tier 1 renewable energy sources to ensure that all such sources are beneficial for the communities they may be built in.

Sincerely,

Jennifer Kunze Maryland Organizing Director Clean Water Action jkunze@cleanwater.org

24 MGPA_HB1407_Solar Siting_UNF.pdf Uploaded by: Lindsay Thompson

Position: UNF



Date: February 29, 2024

House Bill 1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Committee: Economic Matters

MGPA Position: Opposed

The Maryland Grain Producers Association (MGPA) serves as the voice of grain farmers growing corn, wheat, barley and sorghum across the state. MGPA opposes House Bill 1407 which would prohibit counties from adopting zoning laws or regulations that would limit or prohibit the citing of tier 1 renewable energy generation within their county.

When the expanded Renewable Portfolio Standard passed in 2019, 14.5% of the state's energy be produced by instate cited solar energy. The land use of choice for solar developers seems to be agricultural land as it is available in large, flat parcels and is therefore the least expensive site for ground mounted solar. It is unclear exactly how many acres of farmland will be taken for solar development. Estimates in various reports range from 30,000 to 130,000 acres. This would represent up to 10% of Maryland farmland.

Maryland farmland and farmers are already under immense pressure from development and land conversion. From 2017 to 2022, Maryland lost 12,000 acres of agricultural land. Since the RPS was first passed in 2002, Maryland has lost nearly 100,000 acres of agricultural land. This has lasting impacts on farm families, food production and the environment.

Counties need to have the authority to thoughtfully determine where industrial solar generation best fits within the landscape of each unique county. This is not to say that counties should be able to prohibit solar on certain land uses but it is reasonable to allow counties to protect the agricultural and rural fiber of their counties while allowing solar in other areas.

MGPA urges an unfavorable report on HB1407.

Thank you,

Lindsay Thompson

Executive Director

HB1407 Opposition.pdf Uploaded by: Lory Ebron Position: UNF

COMMISSIONERS FOR SOMERSET COUNTY

11916 SOMERSET AVENUE, ROOM 111 PRINCESS ANNE, MARYLAND 21853 TELEPHONE 410-651-0320, FAX 410-651-0366

COMMISSIONERS CHARLES LAIRD, PRESIDENT RANDY LAIRD, VICE-PRESIDENT CRAIG N. MATHIES, SR. ELDON WILLING DARRYL K. WEBSTER



February 20, 2024

Delegate C.T. Wilson, Chair Economic Matters Committee 231 Taylor House Office Building 6 Bladen Street Annapolis, Maryland 21401

RE: HB1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans – Letter of Opposition

Dear Chairman Wilson and Committee Members:

The Board of County Commissioners for Somerset County wish to express their opposition regarding Maryland House Bill 1407. We feel this bill undermines the ability of our county has to regulate renewable energy (Tier 1 Sources) as we believe is in our best interests for our county.

Our Planning Commission and Department of Technical and Community Services has done extensive research and conducted numerous meetings over the past 5 years for the siting and regulation of renewable energy in Somerset County, including a solar acreage limit of 1,800 acres, of which approximately 1,300 acres are already utilized by utility-scale solar.

It must be noted that aside from our smaller land size, our county is also disproportionally affected by the increasing Critical Area development requirements and the Critical Area itself. Passing this bill would not only place an undue hardship on Somerset County by requiring the development and implementation of additional plans, but also defeat all of the work done by our county to regulate and control Tier 1 Sources as we see best for our county.

Respectfully,

Charles Laird President

COUNTY ADMINSTRATOR RALPH D. TAYLOR

DEPUTY COUNTY ADMINISTRATOR ERNEST J. LEATHERBURY, JR.

> COUNTY ATTORNEY KIRK G. SIMPKINS

HB1407-ECM_MACo_OPP.pdf Uploaded by: Michael Sanderson



House Bill 1407

County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

MACo Position: OPPOSE

To: Economic Matters Committee

Date: February 29, 2024

From: Dominic J. Butchko and Michael Sanderson

The Maryland Association of Counties (MACo) **OPPOSES** HB 1407. This bill, among other actions, totally undermines county environmental protections and siting authority for energy generating systems listed as a Tier 1 renewable resource.

In 2004, in a move intended to emphasize and incentivize development of certain renewable energy projects, the State created the Maryland Renewable Energy Portfolio Standards (RPS). The RPS were divided into Tier 1 & Tier 2, with Tier 1 being composed of the energy sources state policymakers wanted to prioritize. Currently, Tier 1 contains: (1) solar energy; (2) wind energy; (3) qualifying biomass; (4) methane from anaerobic digestion in a landfill or wastewater treatment plant; (5) geothermal energy; (6) ocean energy; (7) a fuel cell that produces electricity from qualifying biomass or methane from anaerobic digestion; (8) small hydroelectric power plants; (9) poultry litter-to-energy; (10) waste-to-energy; (11) refuse-derived fuel; (12) thermal energy; and (13) raw or treated wastewater used as a heat source or sink for heating or cooling systems.

If enacted, HB 1407 would totally eviscerate county environmental protections and siting authority for all items within Tier 1. Effectively, this would divorce Maryland from all principles of Environmental Justice, the core tenant of which is the meaningful involvement of all people, regardless of income, race, color, national origin, Tribal affiliation, or disability, in decision-making and activities that affect human health and the environment. In practice, this would mean counties have no authority to prevent trash incinerators next to schools or in residential areas, poultry litter-toenergy or other facilities on prime and productive agricultural land, or other sources of energy from this lengthy list from overtaking conservation or preservation areas.

Additionally, HB 1407 establishes a regime where the Public Service Commission (PSC) must develop energy generation targets for each county and then hold each jurisdiction to meeting those targets within 10 years. Fundamentally, this policy lacks an understanding of the nuances and realities of the issue, and dramatically overstates the ability of local jurisdictions to invite development by energy generators. By completely eliminating local environmental protection and land use authority, counties have zero ability to offer any type of incentive other than financial. And just as the State is reeling with ballooning deficits, counties too are grappling with tighter budgets and weaker revenues, largely due to state-mandated spending on items such as the Blueprint for Maryland's Future.

If implemented, HB 1407 will do irrevocable harm to Marylanders and will be a complete abandonment of the environmental justice principles that the Governor and General Assembly have been promoting. For all the reasons listed above, MACo urges the Committee to issue HB 1407 an **UNFAVORABLE** report.

HB1407_RenewableGeneration_ClimateCC.pdf Uploaded by: Sonia Demiray



Testimony HB 1407 - Position: OPPOSED Renewable Sources Generating Systems, Capacity, and Generation-Prohibition, Studies, and Plans

February 29, 2024

My name is Sonia Demiray. I am the co-founder of the Climate Communications Coalition, a member of the Climate Forest Campaign, the Eastern Forest Group, and the Mid-Atlantic Justice Coalition – among others, and a resident of Frederick County.

The **Climate Communications Coalition**, together with **Concerned Citizens Against Industrial CAFOS**, and **Elders Climate Action Maryland**, oppose HB1407 because, if it should become law, it would curtail the autonomy of local county governments across Maryland. Particularly, it would impact counties' ability to adopt reasonable and safe zoning laws, including laws that restrict polluting 'Renewable Source' Generating Systems or Facilities siting across the State. This bill could essentially limit the power of local governments to protect the communities and environment which they serve.

Local governments plan and provide facilities and services including schools, hospitals, highways, police, libraries, parks, etc. Planning and zoning is a key task because, by definition, local government is on the ground and knows best what is needed and where. Most Maryland counties approach government from a perspective of participation, inclusion, and accountability.

It would be irresponsible to remove the fundamental authority to decide where to place Tier 1 Renewable Source Generating Systems and Facilities from a county government. Tier 1 of the Renewable Portfolio Standard (RPS) still includes very polluting and harmful "renewable" sources and facilities. In fact, they still include incinerators and power plants that could run on waste or woody biomass for energy, biomass pellet manufacturing plants, thermal biomass systems, biogas digesters, and more. These plants emit Volatile Organic Compounds and Hazardous Air Pollutants which routinely violate the Clean Air Act and have a horrible effect on the health of the residents and the environment. Residents of each county, together with their local government, should be able to engage in a democratic process for any zoning change – especially one that could firmly plant polluting industries in our midst for decades to come.

Counties also need the ability to protect and provide for the most vulnerable among us, including low income and frontline communities. For example "opportunity zones" which promise federal tax incentives to organizations in order to incentivize investments and economically uplift underserved groups, routinely attract the most polluting industries because residents don't have the bandwidth to fight back. It is a county government's responsibility to protect these communities and compromised landscapes from further harm, including from Renewable Source Generating Systems or Facilities. We urge you to oppose HB1407. Thank you.

###

House Bill 1407 Opposition Letter001.pdf Uploaded by: Stephanie Jarrell



THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY

The Liberty Building 107 North Liberty Street Centreville, MD 21617

e-mail: QACCommissioners&Administrator@qac.org

County Administrator: Todd R. Mohn, PE Executive Assistant to County Commissioners: Margie A. Houck County Attorney: Patrick Thompson, Esquire

James J. Moran, At Large Jack N. Wilson, Jr., District 1 J. Patrick McLaughlin, District 2 Philip L. Dumenil, District 3 Christopher M. Corchiarino, District 4

February 27, 2024

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

RE: HB1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans OPPOSITION

Dear Chairman Wilson,

Please consider this letter of **opposition** for House Bill 1407. This bill establishes a clear path for the preemption of local zoning authority by restricting and prohibiting local zoning laws that regulate the construction or operation of Tier 1 renewable source generating systems or facilities. Further, this bill establishes a path of extensive Public Service Commission oversite and compliance authority over local jurisdictions. HB1407 outlines very broad strokes concerning counties' roles in meeting certain renewable energy portfolio standard requirements. The details of this bill do not contemplate local land use, comprehensive planning, or economic factors that would otherwise allow counties to partner with the State to achieve renewable energy portfolio goals.

Additionally, prohibiting a local jurisdiction's authority to zone such a wide range of uses ranging from solar energy to poultry litter and waste to energy systems simply cannot be supported or justified. There are resounding unintended consequences of usurping local zoning authority for methane, poultry litter, waste, refuse, and raw wastewater sources, as well as solar, wind, geothermal, and hydroelectric sources. There must be some recognition of the populations impacted by such decisions. The siting of Tier 1 systems would be in direct conflict with the Queen Anne's County Comprehensive Plan and long-standing land use and property rights assurances provided by QAC Zoning Code which is consistent with the Comprehensive Plan.

Thank you for the opportunity to oppose this legislation.

Respectfully,

QUEEN ANNE'S COUNTY BOARD OF COUNTY COMMISSIONERS James J. Moran, Presid Jack N. Wilson. L. Dunfeni

Christopher M. Corchiarino

02.14.24 LOO HB 1407 Joint.pdf Uploaded by: Terry Hale Position: UNF

Danielle Hornberger County Executive

Steven Overbay Director of Administration

Office: 410.996.5202 Email: dhornberger@ccgov.org



Jackie Gregory Council President

> Robert Meffley Vice President

Office: 410.996.5201 Email: council@ccgov.org

CECIL COUNTY GOVERNMENT

Cecil County Administration Building 200 Chesapeake Boulevard, Elkton, MD 21921

February 14, 2024

The Honorable C. T. Wilson The Honorable Brian M. Crosby Economic Matters Committee Room 231 House Office Building Annapolis, MD 21401

RE: HB 1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans Letter of Opposition

Dear Chairman Wilson, Vice Chair Crosby and Members of the Economic Matters Committee:

The County Council and the County Executive of Cecil County unanimously oppose HB 1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans The Hearing on this legislation is scheduled for February 29, 2024.

It is our understanding that this legislation is Prohibiting counties from establishing zoning laws or other regulations that restrict or prohibit the construction or operation of Tier 1 renewable source generating systems or facilities; requiring the Public Service Commission to study the electricity demand in each county and determine the amount of capacity of, and energy generation from, Tier 1 renewable sources needed in each county for the State to meet certain renewable energy portfolio standard requirements; etc.

The control of zoning is the fundamental right for County governments and local jurisdiction must have control over the development of our lands to ensure it is done in harmony with our local landscape. Cecil County strongly opposes this legislation.

The County Executive and County Council of Cecil County respectfully request that the Economic Matters Committee send an unfavorable report on HB 1407.

Sincerely,

Danielle Hornberger County Executive

whie d

Jackie Gregory President of County Council

www.ccgov.org

Oppositon - HB1407 County Tier 1 Renewable Sources Uploaded by: Tyler Hough



To: House Economic Matters Committee

From: Maryland Farm Bureau, Inc.

RE: <u>Opposition of HB1407 County Tier 1 Renewable Sources – Generating Systems,</u> <u>Capacity, and Generation – Prohibition, Studies, and Plans</u>

On behalf of the member families of the Maryland Farm Bureau, I submit testimony in opposition to HB1407. This bill would prohibit counties from establishing zoning laws or other regulations that restrict or prohibit the construction or operation of Tier 1 renewable source generating systems or facilities, require the Public Service Commission to study the electricity demand in each county and determine the amount of capacity of, and energy generation from, Tier 1 renewable sources needed in each county for the State to meet certain renewable energy portfolio standard requirements.

Maryland Farm Bureau has the most concern with the language on page 3 lines 23-25. The members of the Maryland Farm Bureau believe in local control over state preemption. Maryland Farm Bureau has policy that states, "We urge local control of any growth management programs and zoning regulations within our state. We would like to urge local control and oppose a state preemption. We oppose the State of Maryland preemption of local and county land use policy for 918 renewable energy generation projects." Each county has unique geographical, economic, and social circumstances that should be taken into account when making decisions related to renewable energy. A one-size-fits-all approach mandated by the state might not be suitable for all counties. Limiting local autonomy and not accounting for diverse circumstances, could lead to unintended consequences or hinder the ability of local governments to address the unique needs and preferences of their communities.

MDFB Policy: We urge local control of any growth management programs and zoning regulations within our state. We would like to urge local control and oppose a state preemption. We oppose the State of Maryland preemption of local and county land use policy for 918 renewable energy generation projects.

Maryland Farm Bureau Respectfully Opposes HB1407

Illough

Tyler Hough Director of Government Relations Please reach out to Tyler Hough, (443) 878-4045 with any questions

HB 1407-County Teir 1 Renewable Sources- Generatin Uploaded by: Tyler Majchrzak



February 29, 2024

To:House Economic Matters CommitteeFrom:Horizon Farm CreditBill:HB 1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, andGeneration – Prohibition, Studies, and PlansPosition:OPPOSE

Horizon Farm Credit is a member-owned cooperative supporting rural communities and agriculture with reliable, consistent credit and financial services throughout our five-state lending territory in good times and bad. With over \$6.5 billion dollars in loans outstanding to over 23,000 member-owners representing the full range of agriculture, we are one of the largest agricultural lenders on the East Coast.

Although Farm Credit recognizes the need to diversify the State's energy sources, renewables included, we are concerned with the provision in **HB 1407** that would prohibit a county from implementing zoning laws or other regulations that would restrict or prohibit the construction or operation of energy generating operations utilizing Tier 1 sources.

The men and women engaged in agriculture and the businesses that support it tend to be some of the most civic-minded folks in their communities – serving on local government boards and commissions, in addition to commodity and advocacy organizations like Farm Bureau, Delmarva Chicken Association, and MD Grain Producers. Many more also take part in their county's comprehensive planning process participating in numerous meetings over many months (even years) to ensure community consensus and buy-in and prevent knee-jerk decisioning. Ideally, the end result of such a lengthy and thorough process is a planning and zoning approach that reflects the values and priorities of the community itself – including those regarding the siting of renewable energy facilities.

However, we do appreciate and recognize the need for the study provisions of the bill designed to provide our counties and the State a better understanding of the electricity demand in each county and the capacity of and generation from Tier 1 renewables needed in each county to meet the requirements of the renewable energy portfolio standard.

Armed with such information, the Maryland General Assembly, local governments, stakeholder groups, and all Marylanders will be able to, in a strategic and thoughtful manner, work together to identify the most appropriate approach to siting renewable energy production in each county.

While we are supportive of the bill's study provisions, **Horizon Farm Credit respectfully opposes** <u>**HB 1407**</u> as a result of its provisions restricting a county's ability to fully reflect community sentiment regarding the siting of energy facilities using Tier 1 renewables.

> For more information, please contact Tyler Majchrzak at 443-244-1050 or <u>tmajchrzak@horizonfc.com</u>.

HB 1407_Information_PSC.pdf Uploaded by: Frederick Hoover Position: INFO

COMMISSIONERS

FREDERICK H. HOOVER, JR. CHAIR

MICHAEL T. RICHARD ANTHONY J. O'DONNELL KUMAR P. BARVE BONNIE A. SUCHMAN

February 27, 2024

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

RE: HB 1407 – Information - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans

Dear Chair Wilson and Committee Members:

The Public Service Commission (PSC) provides these informational comments on House Bill (HB) 1407 for your consideration.

HB 1407 would add § 7-703.1 to the Public Utilities Article (PUA) and require the PSC to study the electricity demand in each Maryland county and the amount of Tier 1 renewable energy capacity and generation proportionally needed in each county for the state to meet the 2030 and future requirements of the Renewable Energy Portfolio Standard (RPS) specified in PUA § 7–703(b)(25). The bill would require the PSC to report its findings and recommendations to each county and the General Assembly by October 1, 2025. On receipt of the report, each county must conduct a study on how much Tier 1 renewable generating capacity the county could provide to satisfy its energy generation responsibilities as identified by the PSC. Each county would then need to report its findings and recommendations to the PSC and the General Assembly by October 1, 2026. The PSC would, in turn, be tasked with creating a renewable energy compliance and oversight plan to ensure that each county meets its Tier 1 renewable generation requirements within 10 years and would be tasked with establishing a reasonable timeline for each county to achieve the requirements of HB 1407.

The PSC notes that HB 1407 does not make clear the standard unit of proportionality in which the counties' renewable generation requirement should be determined. For example, proportionality may be measured in relation to a county's existing residential, commercial, and industrial uses of electricity, in relation to a county's projected electricity use, or in relation to a county's existing or projected population, among others. The requirements and burdens imposed on each county will likely vary depending on the unit of measure used for proportionality. The study conducted on the renewable generation requirement by county would likely require the coordination of other State agencies including the Maryland Energy Administration and the Power Plant Research Program along with the various Counties, rather than solely being



PUBLIC SERVICE COMMISSION

STATE OF MARYLAND

conducted by the PSC as stated in the proposed legislation. Additionally, conducting this study would require close coordination and complex data extrapolation between the State's electric companies', because the service territories of electric companies often overlap and extend across various county boundaries. The General Assembly may wish to amend HB 1407 with language that clarifies this further.

The bill's in-state RPS generation requirement precludes Maryland's ability to benefit from the competitive advantages that neighboring states may have in the development and generation of renewable energy resources, such as greater area, developable or affordable land, or greater onshore wind energy generation potential. In 2022, generation located in Maryland accounted for approximately 16 percent of all Tier 1 renewable energy credits (RECs) used for compliance with the state's RPS. To meet the 2034 goals outlined in HB 1407, the amount of Tier 1 generation in Maryland would need to increase by approximately 1,000 percent, as compared to the 2022 baseline Tier 1 generation in Maryland of approximately 3 million megawatt-hours.

The new and incremental workload created by HB 1407 cannot be absorbed by existing PSC resources. The PSC would need to hire the services of one or more independent consultants to complete the study required by HB 1407. The October 1, 2025, due date for the PSC report may be difficult to meet, given the time to issue a request for proposal (RFP), review consultants, receive approval from the Board of Public Works, and subsequently conduct the data compilation, research, and drafting need to issue the report. A March 1, 2026, reporting deadline would more adequately provide time for the PSC to procure consulting assistance, conduct the analysis, and draft the report. Given that the PSC would need until March 1, 2026, to realistically complete its analysis and report, it may be appropriate to provide the counties with 18 months (until October 1, 2027) to conduct their analyses and report their findings. The PSC would also need to engage the services of an independent consultant to prepare the renewable energy compliance and oversight plan required by HB 1407. The October 1, 2027, due date for the plan submittal would likewise need to be extended if the timelines for other PSC and county reports are extended as suggested in the comments above.

The PSC asks that you consider these comments when reviewing the language proposed in HB 1407. Please direct any questions you may have to Christina Ochoa, Director of Legislative Affairs, at <u>christina.ochoa1@maryland.gov</u>.

Sincerely,

Frederch W Khove

Frederick H. Hoover, Chair Maryland Public Service Commission

HB1407 - LOC.pdf Uploaded by: Landon Fahrig Position: INFO



TO:Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters CommitteeFROM:MEASUBJECT:HB1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, andGeneration – Prohibition, Studies, and PlansDATE:February 29, 2024

MEA Position: Letter of Concern

This bill would prohibit counties from establishing zoning laws or other regulations that pose barriers to the construction or operation of Tier 1 renewable energy generating systems. This bill would also require the Public Service Commission to create a renewable energy compliance and oversight plan – establishing the amount of energy generation from Tier 1 renewable sources needed in each county to meet the State's renewable energy portfolio standards – and for each county to create their own 10-year plan to meet their targets.

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 50 percent of their electricity from Tier 1 renewable sources by 2030, including at least 14.5 percent from solar sources. 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 and setback requirements. Soil limitations and other zoning regulations in certain counties are posing unreasonable barriers to the siting of ground mounted solar systems below 2 megawatts of alternating current.

While MEA is supportive of reducing barriers at the local level, this bill as written may delay Maryland's ability to achieve our RPS goals. The 3-year state and county planning processes required by this bill are built around one main objective – to establish targets per county on a proportional basis, considering factors such as the population of the county and electricity consumption in that county. The challenge is that there is a mismatch between population centers and attractive sites for the development of Tier 1 renewables. The viability and financial feasibility of a Tier 1 renewable project depends on the value of the land, the property owner's interests, the topography and natural resources present, and the proximity to existing electric infrastructure. These factors are also dynamic leading to changing evaluations of the opportunity at different points in time.

Furthermore, the current State approval process for larger energy generation projects is already effective for evaluating the siting of new Tier 1 renewables with a minimum capacity of 2 megawatts of alternating current. Through the process of approving a certificate of public convenience and necessity (CPCN) from the Public Service Commission, the State preempts local authority to evaluate a project,

taking into account the State's public interests, including renewable energy goals and certain environmental regulations. Therefore, the new county targets established by the bill could hinder the State's existing efforts to approve larger renewable energy projects.

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).