

**DEPARTMENT OF PLANNING & ZONING** 

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To:	Senator Brian J. Feldman, Chair
	Education, Energy, and the Environment Committee
From:	Amy G. Moredock, Planning Director
Subject:	OPPOSITION – HB1046/CF SB 1025
-	Consideration of Queen Anne's County, MD Solar Provisions and Implementation as
	relates provisions outlined in HB1046/CF SB 1025

# Maryland's Renewable Energy Goal (Renewable Portfolio Standard):

- By 2030: (mandated by law)
  - $\circ$  50% of the total energy sold in MD shall come from renewable resources.
    - Solar carve-out out of the above requirement, at least 14.5% of the energy shall come from solar facilities.
- By 2035: (Governor's goal, but not law yet)
  - $\circ$  100% of the total energy production in MD shall come from renewable resources.
- Acreage of land & megawatts required throughout the State to meet the solar goal of 14.5% by 2030.
  - Approximately anywhere from 11,000 acres to 18,000 acres of Utility-Scale Solar needed to meet the Maryland 2030 standard\*
  - Approximately 2,274 megawatts required from Utility-Scale Solar to meet the Maryland 2030 standard\*

\*Information from the presentation of Bob Sadzinski Director, Power Plant Research Program, at the MDA Solar Summit. See slide at the end of this memo.

# **QAC Solar Pilot Program (payment-in-lieu-of-taxes):**

- In QAC, Pilot agreements will be made available for up to 2,000 acres of commercial solar arrays.
- Currently there are approximately 753.3 acres in the County Pilot Program.
- After the 2,000 acres have been utilized, the Pilot Program will no longer be available. Solar may still be constructed, but they will not be eligible for the tax relief of the Pilot Program.

# **Solar Overlay District:**

• After GIS analysis, there are approximately <u>30,958 acres</u> of tillable land within the overlay area available for solar development.

# **Operating Community & Utility Solar Development in QAC:**

- Bluegrass approx. 80 megawatts (Pilot program 408.8 acres)
- Lowin Farms approx. 10 megawatts
- Cedar Lane approx. 6 megawatts
- Garcia <u>approx. 2 megawatts</u> (Pilot Program 18.5 acres) approx. 98 megawatts

# Pending Community & Utility Solar Development in QAC:

- Jones Farm approx. 80 megawatts (Pilot Program 326 acres)
- Centreville White approx. 4 megawatts
- Red Lion approx. 2 megawatts
- <u>Cedar Lane</u> approx. 2 megawatts
- TOTAL approx. 88 megawatts

# **QAC Tax Rate (Information from the Finance Dept):**

- Tax rate for AG property.
  - The tax rate for AG is the same rate as all other properties (\$0.83/\$100). The lower tax is based on the assessment that SDAT applies. They have a formula that decreases the assessment based on acreage and income generated from the farm. So, it's difficult to determine exactly what the "effective" rate would be.
- Tax rate for personal property on top of AG (non-pilot program).
  - Formula to determine: \$2.075/\$100 of assessed valuation x 50%
  - Tax rate for personal property on top of AG (pilot program).
    - PILOTS are 60% of the above personal property tax, amortized over 35 years.
- Information regarding the difference between "regular" farmland tax revenue vs. revenue that could be generated if they had solar systems on them.
  - See the information below

## Bluegrass Solar (OneEnergy Development)

John Powell Rd / Pondtown Rd / Ewingtown Rd / 2 mi N of Church Hill SDAT Bus ID: Z17162777

	Parcel ID	Year	Acres	Class	Asmnt	RE Tax	PP Tax	PILOT
Parcel(s):	1802009617	2020	210	AG	135,900	1,151	0	0
		2024	205	сомм	4,044,800	33,572	123,687	74,212
	1802013746	2020	110	AG	35,700	302	0	0
		2024	109	сомм	2,072,300	17,200	65,766	39,459
	1802001101	2020	309	AG	134,700	1,141	0	0
		2024	303 (	сомм	4,610,400	38,266	182,816	109,690
Potential RE	& PP Tax Revenue	Over 10 Years:			Revenue / Acre /	Year:		
- NO Solar	, Stays AG	25,940			4.12			
- With Sol	ar, NO PILOT	3,811,729			1,733.98			
- With Sol	ar, PILOT	2,322,653			1,174.26			

## Garcia Community Solar Array (Nexamp)

400 Woods Point Rd SDAT Bus ID: Z18385567

	Parcel ID	Year	Acres	Class	Asmnt	<b>RE Tax</b>	PP Tax	PILOT
Parcel(s):	1804035232	2020	100	AG	1,496,910	12,680	0	0
		2024	100	AG*	1,684,000	13,977	12,755	7,653
Potential Rev	venue Over 10 Yea	irs:			Revenue / Acre:			
- NO Solar, Stays AG 126,8		126,800			126.80			
- With Sol	ar, NO PILOT	267,323			1,430.83			
- With Sol	ar, PILOT	216,302			920.62			

#### Lowin Farms (Allegany Solar)

29500 Queen Anne Highway (St Rt 404) SDAT Bus ID: Z18069153

	Parcel ID	Year	Acres	Class	Asmnt	RE Tax	PP Tax	PILOT
Parcel(s):	1803006611	2016	279 R	ES	170,200	1,442	0	0
		2024	279 A	G	1,533,967	12,732	158,662	95,197
Potential Rev	enue Over 10 Ye	ars:			Revenue / Acre:			
- NO Solar	, Stays AG	14,420			5.17			
- With Sola	ar, NO PILOT	1,713,940			1,739.32			
- With Sola	- With Solar, PILOT 1,079				1,071.27			

# Projected Acres of Utility-Scale Solar Needed to Reach the RPS



YEAR	Utility Scale Required to Meet RPS ( <mark>MWs</mark> )	Estimated Rooftop Solar (MWs)	Total Solar Capacity (MW)	Estimated Annual UPV Capacity Needed (MW)	Estimated Annual DPV Capacity Needed (MW)	Acres of Land, UPV, 5 acres/MW	Acres of Land, UPV, 8 acres/MW	
2023	758	1099	1857	52	52	3,790	6,064	
2024	833	1173	2006	75	75	4,163	6,660	
2025	902	1243	2145	70	70	4,512	7,219	
2026	1083	1288	2371	180	45	5,413	8,661	
2027	1357	1357	2714	274	69	6,785	10,855	
2028	1634	1426	3060	277	69	8,172	13,075	
2029	1906	1494	3400	272	68	9,530	15.247	
2030	2274	1586	3860	368	92	11,372	18,195	>

