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RE: HB 398 - Abundant Affordable Clean Energy - Procurement and Development (AACE Act)

## 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) 398. 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. Community solar projects involve medium-scale solar facilities that are 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. Thanks to HB 908, community solar can play a critical role in helping the state meet its energy requirements while also ensuring electricity cost savings reach those that need it most, as projects must allocate at least 40% of capacity for low-and-moderate income customers.

Delegate Charkoudian's HB 398 would drive the sustained growth of community solar and other renewable energy technologies in Maryland, while providing regulatory flexibility to adjust to variables outside the control of the state's policy makers. It would also address shortcomings associated with Maryland's Renewable Portfolio Standard (RPS) and evolve its current incentive structure from a one-size-fits-all approach to a more sophisticated and cost-effective program design. For community solar and other distributed solar technologies, HB 398 would establish "Administrativel Determined Incentive" (ADI) levels that are set and updated by the Public Service Commission and account for the specific needs of each segment. CCSA and its members have direct experience with this program design in neighboring New Jersey and can attest to its success in that state.

CCSA appreciates Delegate Charkoudian's dedication to solving the complex challenges associated with Maryland's energy needs and we endorse the direction taken in HB 398. We also look forward to continuing to work with the Delegate and this Committee and to incorporate tweaks that are needed in the bill to ensure it meets its intended outcome and supports a smooth transition for the solar market.

CCSA urges a favorable report on HB 398.

Sincerely,

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