



SB 434: Empowering New Energy Resources and Green Initiatives Toward a Zero-Emission (ENERGIZE) Maryland Act

Position: SUPPORT

Dear Chair, Vice Chair, and Members of the Committee,

CI Renewables is a Maryland based solar developer specializing in commercial and industrial but within that, CI also specializes in work with municipalities, universities, schools, and hospitals. Our projects range from standard ground mount to projects on brownfields as well as rooftops, parking garages, and parking canopies. While we have developed projects in 20 states, Maryland remains our home and where we understand the markets the best.

The ENERGIZE Maryland Act has only one small section that impacts solar. On page 23, lines 15 and 21 are brackets that will result in a freeze of the Alternative Compliance Payment (ACP) rate at the 2024 level. The administration is introducing a critical amendment which would make this frozen price only eligible to new projects guaranteeing that this will positively impact the building of new solar projects in Maryland.

We know that this freeze to spur the solar industry. If implemented, solar projects, including many rooftop and carport projects, become financeable and built at a significantly higher rate than projected today. Without this or alternatively a more permanent solution to the RPS program, reaching our 14.5% carve out is nearly impossible.

I must make sure to be perfectly clear and honest with you, that unlike The Brighter Tomorrow Act from last year, this WILL have an impact on ratepayers. I am happy to “show my work” but the impact will be, by our calculation, \$0.000167/kWh. Since the average retail customer averages 968 kWh/month the ratepayer impact will be 16¢/month.

Every single option on the table will likely cost the ratepayers in the short term but with solar, because of the RECs, the impact is direct and clear. With the capacity crisis already causing horrendous electric bill increases across the state, we very much understand the desire to avoid any additional impacts to ratepayers.

That being said, the current ACP step down, for those not eligible for the Brighter Tomorrow multiplier, is becoming dangerously close to making the Maryland market – unbuildable and so this is a problem that will need to be addressed. The freeze, as similar approaches have worked elsewhere, would drive developers to build more in the state until we are satisfying RPS and therefore lowering the cost of a MD SREC relative to SACP. When we reach that threshold ratepayers begin paying less.

We respectfully urge the Committee to provide a favorable report on SB 434. Should you have any questions, please feel free to contact me.

Sincerely,

Joshua Feldmark
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