

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
 Third Reader

House Bill 936 (Delegate Barve, *et al.*)

Environment and Transportation and
 Economic Matters

Finance

Blue Ribbon Community Solar Land Use Commission

This bill establishes a Blue Ribbon Community Solar Land Use Commission, to be staffed by the Power Plant Research Program (PPRP) in the Department of Natural Resources (DNR). The commission must study and make recommendations regarding the land use needs to meet the full generation capacity authorized under the Community Solar Energy Generating System Pilot Program, including (1) the total area of land, including agricultural land, that is likely necessary to meet the full generation capacity in a manner that is cost-effective for ratepayers in the State; (2) the total number of megawatts of solar electricity that is needed to meet the full generation capacity (and the rate of rooftop solar panels and number of acres needed to meet that number); and (3) any other matter the commission considers necessary to help the State meet the full generation capacity authorized in a cost-effective manner. The commission must report its findings and recommendations to the Governor and the General Assembly by December 1, 2022. **The bill takes effect July 1, 2022, and terminates June 30, 2023.**

Fiscal Summary

State Effect: Special fund expenditures increase by \$10,000 in FY 2023 only. Revenues are not affected.

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	10,000	0	0	0	0
Net Effect	(\$10,000)	\$0	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Commission members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget.

Current Law: Chapters 346 and 347 of 2015 required the Public Service Commission to establish a three-year Community Solar Energy Generating System Pilot Program, subject to specified conditions. The program was subsequently extended through December 31, 2024. Such a system, in addition to other requirements, credits its generated electricity, or the value of its generated electricity, to the bills of the subscribers to that system through virtual net energy metering. Subscribers must be in the same electric service territory as the system.

Annual and program capacity limits for the pilot program are set pursuant to the Code of Maryland Regulations 20.62.02.02.

State Expenditures: Special fund expenditures for DNR increase by \$10,000 in fiscal 2023 only, which reflects costs for PPRP to hire a consultant with expertise in the land use requirements under the existing Renewable Energy Portfolio Standard. DNR advises that while much of the analysis required by the bill was conducted years ago, it needs to be updated with current statistics. PPRP is funded through an assessment on electricity used in the State, which accrues to the Environmental Trust Fund.

Any expense reimbursements for commission members are assumed to be minimal and absorbable within existing budgeted resources.

Additional Information

Prior Introductions: HB 1356 of 2021, a similar bill, was referred to the House Rules and Executive Nominations Committee, but no further action was taken.

Designated Cross File: SB 999 (Senator Hershey) - Rules.

Information Source(s): Maryland Department of Agriculture; Department of Natural Resources; Public Service Commission; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2022
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