

# HOUSE BILL 1195

C5, M5, D5

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CF SB 843

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By: **Delegate Stein**

Introduced and read first time: February 11, 2026

Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Net Energy Metering, SUNRISE Program, and Community Solar Energy**  
3 **Generating Systems Program**  
4 **(SUNRISE Act)**

5 FOR the purpose of requiring the Office of Home Energy Programs to administer, or  
6 through a local administering agency administer, certain programs and activities  
7 regarding low- and moderate-income households and the Community Solar Energy  
8 Generating Systems Program; altering the method by which certain rated  
9 generating capacity is counted toward the statewide net energy metering limit;  
10 requiring the Public Service Commission to establish a certain statewide capacity  
11 reservation system for certain net energy metering projects; requiring electric  
12 companies to automatically accept certain capacity reservations for a certain  
13 qualified system under certain circumstances; requiring the Commission to establish  
14 a Standard Utility Net-export Rate for Integrated Solar and Energy (SUNRISE)  
15 Program as the successor program to the net energy metering program; requiring  
16 each electric company to implement the SUNRISE Program through certain tariffs;  
17 altering the contents of a certain net energy metering report; establishing methods  
18 by which a community solar energy generating system may satisfy certain low- or  
19 moderate-income subscriber participation requirements; providing that certain  
20 customers identified for enrollment in the Community Solar Energy Generating  
21 Systems Program may opt out of enrollment; requiring certain customers to receive  
22 a guaranteed electric bill savings under certain circumstances; requiring the Office  
23 of Home Energy Programs or the Maryland Energy Administration to allocate a  
24 certain dedicated block of capacity among eligible households enrolled in the  
25 Community Solar Energy Generating Systems Program; requiring electric  
26 companies to apply certain bill credits to certain eligible households based on certain  
27 instructions under certain circumstances; providing that certain eligible households  
28 may not be required to execute a certain subscriber agreement or contract disclosure  
29 form; and generally relating to net energy metering, the SUNRISE Program, and the  
30 Community Solar Energy Generating Systems Program.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,  
2 Article – Human Services  
3 Section 5–5A–01(a) and (d)  
4 Annotated Code of Maryland  
5 (2019 Replacement Volume and 2025 Supplement)

6 BY adding to  
7 Article – Human Services  
8 Section 5–5A–09.1  
9 Annotated Code of Maryland  
10 (2019 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Public Utilities  
13 Section 7–306 and 7–306.2(a)  
14 Annotated Code of Maryland  
15 (2025 Replacement Volume and 2025 Supplement)

16 BY adding to  
17 Article – Public Utilities  
18 Section 7–306.2(o) and (p)  
19 Annotated Code of Maryland  
20 (2025 Replacement Volume and 2025 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
22 That the Laws of Maryland read as follows:

23 **Article – Human Services**

24 **5–5A–01.**

25 (a) In this subtitle the following words have the meanings indicated.

26 (d) “Office” means the Office of Home Energy Programs.

27 **5–5A–09.1.**

28 (A) IN THIS SECTION, “LOCAL ADMINISTERING AGENCY” HAS THE MEANING  
29 STATED IN § 7–306.2 OF THE PUBLIC UTILITIES ARTICLE.

30 (B) THE OFFICE SHALL ADMINISTER, DIRECTLY OR THROUGH LOCAL  
31 ADMINISTERING AGENCIES, THE PROGRAMS AND ACTIVITIES NECESSARY TO  
32 IMPLEMENT § 7–306.2(O) AND (P) OF THE PUBLIC UTILITIES ARTICLE.

1 (C) THE OFFICE OR A LOCAL ADMINISTERING AGENCY MAY RECEIVE  
2 SUBSCRIBER ACQUISITION FEES AUTHORIZED BY THE PUBLIC SERVICE  
3 COMMISSION UNDER § 7-306.2(O)(12) OF THE PUBLIC UTILITIES ARTICLE.

4 (D) ON OR BEFORE NOVEMBER 1 EACH YEAR, THE OFFICE SHALL REPORT  
5 TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE  
6 GOVERNMENT ARTICLE, ON THE IMPLEMENTATION OF § 7-306.2(O) AND (P) OF THE  
7 PUBLIC UTILITIES ARTICLE DURING THE IMMEDIATELY PRECEDING FISCAL YEAR,  
8 INCLUDING, TO THE EXTENT PRACTICABLE:

9 (1) FOR EACH ELECTRIC COMPANY SERVICE TERRITORY:

10 (I) THE NUMBER OF HOUSEHOLDS SERVED UNDER § 7-306.2(O)  
11 OF THE PUBLIC UTILITIES ARTICLE; AND

12 (II) THE NUMBER OF HOUSEHOLDS SERVED UNDER § 7-306.2(P)  
13 OF THE PUBLIC UTILITIES ARTICLE;

14 (2) ESTIMATED BILL SAVINGS DELIVERED TO PARTICIPATING  
15 HOUSEHOLDS; AND

16 (3) EXPENDITURES FUNDED BY SUBSCRIBER ACQUISITION FEES.

17 **Article – Public Utilities**

18 7-306.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) “Biomass” means “qualified biomass” as defined in § 7-701 of this title.

21 (3) “CAPACITY RESERVATION” MEANS A RESERVATION OF NET  
22 ENERGY METERED GENERATING CAPACITY UNDER SUBSECTION (J) OF THIS  
23 SECTION THAT COUNTS TOWARD THE STATEWIDE LIMIT UNDER SUBSECTION (D) OF  
24 THIS SECTION.

25 (4) “Closed conduit hydro” means a hydroelectric generating facility that:

26 (i) generates electricity within existing piping or limited adjacent  
27 piping of a potable water supply system;

28 (ii) is owned or operated by a municipal corporation or public water  
29 authority; and

1 (iii) is designed to produce less energy than is consumed to operate  
2 the water supply system.

3 **(5) “COMMUNITY SOLAR ENERGY GENERATING SYSTEM” HAS THE**  
4 **MEANING STATED IN § 7-306.2 OF THIS SUBTITLE.**

5 **[(4)] (6)** “Eligible customer-generator” means a customer that owns and  
6 operates, leases and operates, or contracts with a third party that owns and operates a  
7 biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydro  
8 electric generating facility that:

9 (i) is located on the customer’s premises or contiguous property;

10 (ii) is interconnected and operated in parallel with an electric  
11 company’s transmission and distribution facilities; and

12 (iii) is intended primarily to offset all or part of the customer’s own  
13 electricity requirements.

14 **[(5)] (7)** “Fuel cell” means an electric generating facility that:

15 (i) includes integrated power plant systems containing a stack,  
16 tubular array, or other functionally similar configuration used to electrochemically convert  
17 fuel to electric energy; and

18 (ii) may include:

19 1. an inverter and fuel processing system; and

20 2. other plant equipment to support the plant’s operation or  
21 its energy conversion, including heat recovery equipment.

22 **(8) “MATURE NET ENERGY METERING PROJECT” MEANS A PROPOSED**  
23 **QUALIFIED SYSTEM THAT MEETS THE ELIGIBILITY REQUIREMENTS FOR A CAPACITY**  
24 **RESERVATION UNDER SUBSECTION (J) OF THIS SECTION.**

25 **[(6)] (9)** “Micro combined heat and power” means the simultaneous or  
26 sequential production of useful thermal energy and electrical or mechanical power not  
27 exceeding 30 kilowatts.

28 **[(7)] (10)** “Net energy metering” means measurement of the difference  
29 between the electricity that is supplied by an electric company and the electricity that is  
30 generated by an eligible customer-generator and fed back to the electric grid over the  
31 eligible customer-generator’s billing period.

1            ~~[(8)]~~ **(11)** “Net excess generation” means the amount of the electricity  
2 generated by an eligible customer-generator that is in excess of the electricity consumed  
3 by the eligible customer-generator and that results in a negative kilowatt-hour reading at  
4 the end of the eligible customer-generator’s billing cycle.

5            **(12) “QUALIFIED SYSTEM” MEANS:**

6                            **(I) A BEHIND-THE-METER ENERGY GENERATING SYSTEM**  
7 **ASSOCIATED WITH AN ELIGIBLE CUSTOMER-GENERATOR UNDER THIS SECTION;**

8                            **(II) AN ENERGY GENERATING SYSTEM THAT ENGAGES IN METER**  
9 **AGGREGATION UNDER § 7-306.3 OF THIS SUBTITLE; AND**

10                           **(III) A COMMUNITY SOLAR ENERGY GENERATING SYSTEM.**

11            **(13) “STANDARD UTILITY NET-EXPORT RATE FOR INTEGRATED**  
12 **SOLAR AND ENERGY PROGRAM” OR “SUNRISE PROGRAM” MEANS A**  
13 **COMPENSATION PROGRAM ADOPTED BY THE COMMISSION UNDER SUBSECTION (L)**  
14 **OF THIS SECTION AS A SUCCESSOR PROGRAM TO THE NET ENERGY METERING**  
15 **PROGRAM UNDER SUBSECTIONS (D) THROUGH (F) OF THIS SECTION.**

16            **(14) “SUBSCRIBER ORGANIZATION” HAS THE MEANING STATED IN §**  
17 **7-306.2 OF THIS SUBTITLE.**

18            (b) The General Assembly finds and declares that a program to provide net energy  
19 metering for eligible customer-generators is a means to encourage private investment in  
20 renewable energy resources, stimulate in-State economic growth, enhance continued  
21 diversification of the State’s energy resource mix, and reduce costs of interconnection and  
22 administration.

23            (c) An electric company serving an eligible customer-generator shall ensure that  
24 the meter installed for net energy metering is capable of measuring the flow of electricity  
25 in two directions.

26            (d) **(1)** The Commission shall require electric utilities to develop a standard  
27 contract or tariff for net energy metering and make it available to eligible  
28 customer-generators on a first-come, first-served basis until the rated generating capacity  
29 [owned and operated by eligible customer-generators in the State] **COUNTED TOWARD**  
30 **THE STATEWIDE LIMIT UNDER PARAGRAPH (2) OF THIS SUBSECTION** reaches 3,000  
31 megawatts **OF ALTERNATING CURRENT.**

32                            **(2) RATED GENERATING CAPACITY SHALL BE COUNTED TOWARD THE**  
33 **3,000 MEGAWATT ALTERNATING CURRENT STATEWIDE LIMIT AS THE SUM OF:**

1                   **(I) QUALIFIED SYSTEMS OPERATING IN THE STATE ON OR**  
2 **BEFORE JULY 1, 2027; AND**

3                   **(II) RESERVED CAPACITY ASSOCIATED WITH CAPACITY**  
4 **RESERVATIONS FOR MATURE NET ENERGY METERING PROJECTS UNDER**  
5 **SUBSECTION (J) OF THIS SECTION.**

6           (e)   (1)   A net energy metering **OR SUNRISE PROGRAM** contract or tariff  
7 shall be identical, in energy rates, rate structure, and monthly charges, to the contract or  
8 tariff that the customer would be assigned if the customer were not an eligible  
9 customer-generator.

10           (2)   (i)   A net energy metering **OR SUNRISE PROGRAM** contract or  
11 tariff may not include charges that would raise the eligible customer-generator's minimum  
12 monthly charge above that of customers of the rate class to which the eligible  
13 customer-generator would otherwise be assigned.

14                   (ii)   Charges prohibited by this paragraph include new or additional  
15 demand charges, standby charges, customer charges, and minimum monthly charges.

16           (f)   (1)   The electric company shall calculate net energy metering in accordance  
17 with this subsection.

18           (2)   Net energy produced or consumed on a regular basis shall be measured  
19 in accordance with standard metering practices.

20           (3)   If electricity supplied by the grid exceeds electricity generated by the  
21 eligible customer-generator during a month, the eligible customer-generator shall be billed  
22 for the net energy supplied in accordance with subsection (e) of this section.

23           (4)   If electricity generated by the eligible customer-generator exceeds the  
24 electricity supplied by the grid, the eligible customer-generator shall be billed only  
25 customer charges for that month in accordance with subsection (e) of this section.

26           (5)   (i)   An eligible customer-generator under paragraph (4) of this  
27 subsection may:

28                   1.   accrue net excess generation for a period:

29                           A.   not to exceed 12 months; and

30                           B.   that ends with the billing cycle that is complete  
31 immediately prior to the end of April of each year; or

32                   2.   except for an eligible customer-generator served by a  
33 municipal electric utility or an electric cooperative and subject to subparagraph (iv) of this

1 paragraph, accrue net excess generation for an indefinite period regardless of whether the  
2 eligible customer-generator previously accrued net excess generation for a period  
3 authorized under item 1 of this subparagraph.

4 (ii) The electric company shall carry forward net excess generation  
5 until:

6 1. the eligible customer-generator's consumption of  
7 electricity from the grid eliminates the net excess generation;

8 2. the accrual period under subparagraph (i)1 of this  
9 paragraph expires; or

10 3. the account is closed.

11 (iii) 1. If an eligible customer-generator elects to accrue net  
12 excess generation for a period not to exceed 12 months under subparagraph (i)1 of this  
13 paragraph, the dollar value of net excess generation shall be equal to the generation or  
14 commodity portion of the rate that the eligible customer-generator would have been  
15 charged by the electric company averaged over the previous 12-month period ending with  
16 the billing cycle that is complete immediately before the end of April multiplied by the  
17 number of kilowatt-hours of net excess generation.

18 2. For an eligible customer-generator that elects to accrue  
19 net excess generation under subparagraph (i)1 of this paragraph and is served by a  
20 community choice aggregator or an electricity supplier, the dollar value of the net excess  
21 generation shall be equal to the generation or commodity rate that the customer would  
22 have been charged by the community choice aggregator or electricity supplier multiplied  
23 by the number of kilowatt-hours of net excess generation.

24 (iv) If an eligible customer-generator elects to accrue net excess  
25 generation for an indefinite period under subparagraph (i)2 of this paragraph:

26 1. the eligible customer-generator may not elect to switch to  
27 accruing net excess generation under subparagraph (i)1 of this paragraph unless the  
28 electric company approves the switch; and

29 2. the electric company shall, within 15 days after an eligible  
30 customer-generator's account is closed, pay the eligible customer-generator, in accordance  
31 with subparagraph (v) of this paragraph, for any accrued net excess generation remaining  
32 at the time the account is closed.

33 (v) The Commission shall establish a method for calculating the  
34 value of any accrued net excess generation that a customer-generator elects to accrue for  
35 an indefinite period under subparagraph (i)2 of this paragraph.

1           (6)   (i)    If an eligible customer-generator elects to accrue net excess  
2 generation under paragraph (5)(i)1 of this subsection, on or before 30 days after the billing  
3 cycle that is complete immediately prior to the end of April of each year, the electric  
4 company shall pay the eligible customer-generator for the dollar value of any accrued net  
5 excess generation remaining at the end of the previous 12-month period ending with the  
6 billing cycle that is complete immediately before the end of April.

7           (ii)   Within 15 days after the date an eligible customer-generator  
8 that elects to accrue net excess generation under paragraph (5)(i)1 of this subsection closes  
9 the eligible customer-generator's account, the electric company shall pay the eligible  
10 customer-generator for the dollar value of any accrued net excess generation remaining at  
11 the time the eligible customer-generator closes the account.

12          (7)   (i)    Notwithstanding paragraphs (5) and (6) of this subsection, an  
13 eligible customer-generator served by an electric cooperative that serves a population of  
14 less than 250,000 in its distribution territory may choose to be paid for the dollar value of  
15 net excess generation remaining at the end of each month instead of at the end of the  
16 accrual period specified under paragraph (5)(i)1 of this subsection.

17          (ii)   If an eligible customer-generator chooses to be paid for the dollar  
18 value of net excess generation remaining at the end of each month:

19                   1.    the customer-generator may accrue net excess generation  
20 on a monthly basis;

21                   2.    the dollar value of the net excess generation shall be equal  
22 to the generation or commodity portion of the rate that the eligible customer-generator  
23 would have been charged by the electric company for the previous month; and

24                   3.    on or before 30 days after the end of each month, the  
25 electric cooperative shall pay the eligible customer-generator for the dollar value of net  
26 excess generation remaining at the end of the previous month.

27          (g)   (1)    Except as provided in paragraphs (6), (7), and (8) of this subsection, the  
28 generating capacity of an electric generating system used by an eligible  
29 customer-generator for net **ENERGY** metering may not exceed 2 megawatts.

30          (2)    An electric generating system used by an eligible customer-generator  
31 for net **ENERGY** metering shall meet all applicable safety and performance standards  
32 established by the National Electrical Code, the Institute of Electrical and Electronics  
33 Engineers, and Underwriters Laboratories.

34          (3)    The Commission may adopt by regulation additional control and testing  
35 requirements for eligible customer-generators that the Commission determines are  
36 necessary to protect public safety and system reliability.

1           (4) An electric company may not require an eligible customer-generator  
2 whose electric generating system meets the standards of paragraphs (2) and (3) of this  
3 subsection to:

- 4           (i) install additional controls;
- 5           (ii) perform or pay for additional tests; or
- 6           (iii) purchase additional liability insurance.

7           (5) An eligible customer-generator or the eligible customer-generator's  
8 assignee shall own and have title to all renewable energy attributes or renewable energy  
9 credits associated with any electricity produced by its electric generating system.

10           (6) The Commission may not prohibit the construction or operation of  
11 multiple [net metered] solar energy generating facilities located on separate contiguous  
12 lots that are owned by a local government solely because the capacity of the combined [net  
13 metering] systems exceeds the limit established under paragraph (1) of this subsection, if:

14           (i) the [net metered] solar energy generating facilities are intended  
15 to be used solely for the benefit of the local government;

16           (ii) the total capacity of the [net metered] solar energy generating  
17 facilities on the contiguous lots does not exceed 5 megawatts **OF ALTERNATING CURRENT**;

18           (iii) the contiguous lots were not subdivided for the purpose of  
19 circumventing the limit established under paragraph (1) of this subsection; and

20           (iv) the utility serving the [net metered] solar energy generating  
21 facilities is not an electric cooperative or municipal electric utility.

22           (7) The generating capacity of a community solar energy generating system  
23 established under § 7-306.2 of this subtitle that is used for net **ENERGY** metering **OR THE**  
24 **SUNRISE PROGRAM** may not exceed 5 megawatts **OF ALTERNATING CURRENT**.

25           (8) The generating capacity of a [net metered] facility that is meter  
26 aggregated under § 7-306.3 of this subtitle may not exceed 5 megawatts **OF ALTERNATING**  
27 **CURRENT**.

28           (h) An eligible customer-generator participating in net energy metering may  
29 participate in the aggregation activities of a community choice aggregator under § 7-510.3  
30 of this title.

31           (i) Notwithstanding the generating capacity limits established in subsection (g)  
32 of this section, an eligible customer-generator participating in meter aggregation under §  
33 7-306.2 or § 7-306.3 of this subtitle may receive excess generation from more than one

1 generating system, including if the combined generating capacity of all [net metered]  
2 facilities that are meter aggregated exceeds 5 megawatts OF ALTERNATING CURRENT.

3 (J) (1) ON OR BEFORE JULY 1, 2027, THE COMMISSION SHALL  
4 ESTABLISH, BY ORDER OR REGULATION, A STANDARDIZED STATEWIDE CAPACITY  
5 RESERVATION SYSTEM FOR MATURE NET ENERGY METERING PROJECTS THAT ARE  
6 NOT YET OPERATIONAL.

7 (2) WHEN THE RESERVATION SYSTEM REQUIRED UNDER PARAGRAPH  
8 (1) OF THIS SUBSECTION IS ESTABLISHED, AN ELECTRIC COMPANY SHALL  
9 AUTOMATICALLY ACCEPT A CAPACITY RESERVATION FOR A QUALIFIED SYSTEM  
10 THAT IS NOT OPERATIONAL BUT HAS MET THE FOLLOWING REQUIREMENTS:

11 (I) FOR A BEHIND-THE-METER SYSTEM, THE DEVELOPER OF  
12 THE SYSTEM OR THE ELIGIBLE CUSTOMER-GENERATOR HAS:

13 1. SUBMITTED A COMPLETE INTERCONNECTION  
14 APPLICATION, AS DETERMINED BY THE ELECTRIC COMPANY, IN ACCORDANCE WITH  
15 THE COMMISSION'S SMALL GENERATOR INTERCONNECTIONS STANDARDS; AND

16 2. PAID TO THE ELECTRIC COMPANY ANY REQUIRED  
17 INTERCONNECTION APPLICATION FEES;

18 (II) FOR A SYSTEM THAT WILL ENGAGE IN METER AGGREGATION  
19 UNDER § 7-306.3 OF THIS SUBTITLE, THE DEVELOPER OF THE SYSTEM OR ELIGIBLE  
20 CUSTOMER-GENERATOR HAS:

21 1. RETURNED TO THE ELECTRIC COMPANY AN  
22 EXECUTED INTERCONNECTION AGREEMENT SIGNED BY THE DEVELOPER OR  
23 ELIGIBLE CUSTOMER-GENERATOR;

24 2. PAID THE INITIAL DEPOSIT REQUIRED UNDER THE  
25 INTERCONNECTION AGREEMENT;

26 3. PROVIDED THE ELECTRIC COMPANY PROOF OF SITE  
27 CONTROL; AND

28 4. PROVIDED THE ELECTRIC COMPANY WITH EVIDENCE  
29 OF ONE OF THE FOLLOWING:

30 A. AN APPLICATION FOR AT LEAST ONE REQUIRED  
31 PERMIT IF THE SYSTEM IS EXEMPT FROM THE REQUIREMENTS OF § 7-207 OR §  
32 7-207.4 OF THIS TITLE;

1                   **B. RECEIPT OF A DETERMINATION FROM A PUBLIC**  
2 **UTILITY LAW JUDGE OR THE COMMISSION THAT AN APPLICATION FOR A**  
3 **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207 OF THIS**  
4 **TITLE IS COMPLETE; OR**

5                   **C. RECEIPT OF ACHIEVEMENT OF A MILESTONE**  
6 **ASSOCIATED WITH AN APPLICATION FOR A DISTRIBUTED GENERATION CERTIFICATE**  
7 **OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207.4 OF THIS TITLE; AND**

8                   **(III) FOR A COMMUNITY SOLAR ENERGY GENERATING SYSTEM,**  
9 **THE DEVELOPER OF THE SYSTEM HAS:**

10                   **1. RETURNED TO THE ELECTRIC COMPANY AN**  
11 **EXECUTED INTERCONNECTION AGREEMENT SIGNED BY THE DEVELOPER;**

12                   **2. PAID THE INITIAL DEPOSIT REQUIRED UNDER THE**  
13 **INTERCONNECTION AGREEMENT;**

14                   **3. PROVIDED THE ELECTRIC COMPANY PROOF OF SITE**  
15 **CONTROL;**

16                   **4. PROVIDED THE ELECTRIC COMPANY WITH EVIDENCE**  
17 **OF ONE OF THE FOLLOWING:**

18                   **A. AN APPLICATION FOR AT LEAST ONE REQUIRED**  
19 **PERMIT IF THE SYSTEM IS EXEMPT FROM THE REQUIREMENTS OF § 7-207 OR §**  
20 **7-207.4 OF THIS TITLE;**

21                   **B. RECEIPT OF A DETERMINATION FROM A PUBLIC**  
22 **UTILITY LAW JUDGE OR THE COMMISSION THAT AN APPLICATION FOR A**  
23 **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207 OF THIS**  
24 **TITLE IS COMPLETE; OR**

25                   **C. RECEIPT OF ACHIEVEMENT OF A MILESTONE**  
26 **ASSOCIATED WITH AN APPLICATION FOR A DISTRIBUTED GENERATION CERTIFICATE**  
27 **OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207.4 OF THIS TITLE; AND**

28                   **5. SUBMITTED TO THE ELECTRIC COMPANY THE**  
29 **SUBSCRIBER ORGANIZATION NUMBER ASSOCIATED WITH THE LOCATION OF THE**  
30 **PROPOSED SYSTEM AS EVIDENCE OF THE COMMISSION'S AUTHORIZATION FOR THE**  
31 **SYSTEM TO PARTICIPATE IN THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM**  
32 **PROGRAM.**

1           **(3) (I) IF AN ELECTRIC COMPANY HAS NOT ISSUED AN**  
2 **INTERCONNECTION AGREEMENT OR DEPOSIT INVOICE FOR A QUALIFIED SYSTEM**  
3 **WITHIN THE TIME FRAME ESTABLISHED BY THE COMMISSION UNDER THIS SECTION,**  
4 **THE DEVELOPER OF THE QUALIFIED SYSTEM MAY, IN LIEU OF THE REQUIREMENTS**  
5 **UNDER PARAGRAPH (2)(II) AND (III) OF THIS SUBSECTION, PAY TO THE ELECTRIC**  
6 **COMPANY A REFUNDABLE CASH DEPOSIT OF \$25 PER KILOWATT OF ALTERNATING**  
7 **CURRENT GENERATION CAPACITY.**

8           **(II) A QUALIFIED SYSTEM FOR WHICH A CASH DEPOSIT HAS**  
9 **BEEN PAID UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL AUTOMATICALLY**  
10 **RECEIVE A CAPACITY RESERVATION FROM THE ELECTRIC COMPANY ON**  
11 **COMPLETION OF MEETING THE REQUIREMENTS IN PARAGRAPH (2) OF THIS**  
12 **SUBSECTION.**

13           **(III) AN ELECTRIC COMPANY SHALL:**

14                   **1. ON REQUEST BY THE DEVELOPER OF A QUALIFIED**  
15 **SYSTEM, REFUND A DEPOSIT PAID UNDER THIS PARAGRAPH; AND**

16                   **2. RETAIN THE RESERVED CAPACITY FOR THE**  
17 **QUALIFIED SYSTEM ONLY IF, WHEN THE DEVELOPER OF THE QUALIFIED SYSTEM**  
18 **HAS REQUESTED A REFUND, THE DEVELOPER HAS SATISFIED:**

19                           **A. ALL THE REQUIREMENTS IN PARAGRAPH (2)(II) OF**  
20 **THIS SUBSECTION IF THE QUALIFIED SYSTEM WILL BE USED IN METER**  
21 **AGGREGATION UNDER § 7-306.3 OF THIS SUBTITLE; OR**

22                           **B. ALL THE REQUIREMENTS IN PARAGRAPH (2)(III) OF**  
23 **THIS SUBSECTION IF THE QUALIFIED SYSTEM IS A COMMUNITY SOLAR ENERGY**  
24 **GENERATING SYSTEM.**

25           **(4) AN ELECTRIC COMPANY SHALL NOTIFY THE DEVELOPER OF A**  
26 **QUALIFIED SYSTEM AND THE COMMISSION WHEN THE QUALIFIED SYSTEM HAS**  
27 **RECEIVED A CAPACITY RESERVATION.**

28           **(5) RESERVED CAPACITY ASSOCIATED WITH A CAPACITY**  
29 **RESERVATION SHALL COUNT TOWARD THE STATEWIDE LIMIT UNDER SUBSECTION**  
30 **(D)(2) OF THIS SECTION AS OF THE DATE AND TIME THE REQUIREMENTS UNDER**  
31 **PARAGRAPH (2) OR (3) OF THIS SUBSECTION ARE SATISFIED, INCLUDING QUALIFIED**  
32 **SYSTEMS THAT SATISFIED THE REQUIREMENTS UNDER PARAGRAPH (2) OR (3) OF**  
33 **THIS SUBSECTION BEFORE JULY 1, 2027, BUT WERE NOT YET OPERATIONAL ON**  
34 **THAT DATE.**

1           **(6) A CAPACITY RESERVATION SHALL BE CALCULATED AS:**

2           **(I) FOR A QUALIFIED SYSTEM THAT IS A BEHIND-THE-METER**  
3 **SYSTEM ASSOCIATED WITH AN ELIGIBLE CUSTOMER-GENERATOR UNDER THIS**  
4 **SECTION, THE ALTERNATING CURRENT GENERATING CAPACITY OF THE SYSTEM AS**  
5 **CONTAINED IN THE INTERCONNECTION APPLICATION CONSIDERED COMPLETE BY**  
6 **THE ELECTRIC COMPANY;**

7           **(II) FOR A QUALIFIED SYSTEM THAT WILL ENGAGE IN METER**  
8 **AGGREGATION UNDER § 7-306.3 OF THIS SUBTITLE, THE ALTERNATING CURRENT**  
9 **GENERATING CAPACITY OF THE SYSTEM AS CONTAINED IN THE INTERCONNECTION**  
10 **AGREEMENT EXECUTED BY THE DEVELOPER OF THE SYSTEM OR ELIGIBLE**  
11 **CUSTOMER-GENERATOR; AND**

12           **(III) FOR A QUALIFIED SYSTEM THAT IS A COMMUNITY SOLAR**  
13 **ENERGY GENERATING SYSTEM, THE ALTERNATING CURRENT GENERATING**  
14 **CAPACITY OF THE SYSTEM AS CONTAINED IN THE INTERCONNECTION AGREEMENT**  
15 **EXECUTED BY THE DEVELOPER OF THE SYSTEM OR SUBSCRIBER ORGANIZATION.**

16           **(7) ON OR BEFORE APRIL 1, 2027, THE COMMISSION SHALL**  
17 **ESTABLISH, BY ORDER OR REGULATION:**

18           **(I) A METHOD FOR ELECTRIC COMPANIES JOINTLY TO TRACK**  
19 **AND AGGREGATE CAPACITY RESERVATIONS AND OPERATIONAL QUALIFIED**  
20 **SYSTEMS TO COUNT PROGRESS TOWARD REACHING THE STATEWIDE CAP UNDER**  
21 **SUBSECTION (D)(1) OF THIS SECTION;**

22           **(II) CONDITIONS UNDER WHICH A CAPACITY RESERVATION MAY**  
23 **BE MODIFIED, WITHDRAWN, OR CANCELED, AND THE EFFECT OF THAT ACTION ON**  
24 **CAPACITY ACCOUNTING UNDER SUBSECTION (D) OF THIS SECTION;**

25           **(III) WHETHER AND UNDER WHAT CONDITIONS A CAPACITY**  
26 **RESERVATION MAY BE ASSIGNED OR TRANSFERRED, INCLUDING PROTECTIONS TO**  
27 **PRESERVE THE FIRST-COME, FIRST-SERVED CHARACTER OF THE PROGRAM;**

28           **(IV) A WAITLIST FOR QUALIFIED SYSTEMS THAT MAY RECEIVE**  
29 **CAPACITY IF PRECEDING PROJECTS ARE WITHDRAWN OR CANCELED OR HAVE A**  
30 **REDUCTION IN GENERATING CAPACITY;**

31           **(V) A UNIFORM DEADLINE BY WHICH AN ELECTRIC COMPANY**  
32 **SHALL PROVIDE THE DEVELOPER OF A QUALIFIED SYSTEM WITH AN**

1 INTERCONNECTION AGREEMENT AFTER THE DEVELOPER SUBMITS AN  
2 INTERCONNECTION APPLICATION TO THE ELECTRIC COMPANY; AND

3 (VI) UNIFORM STANDARDS FOR INTERCONNECTION UPGRADE  
4 DEPOSITS, INCLUDING:

5 1. THE AMOUNT OF DEPOSIT REQUIRED; AND

6 2. DEADLINES BY WHICH AN ELECTRIC COMPANY MUST  
7 DELIVER AN INVOICE AND WHEN DEPOSIT PAYMENTS ARE DUE.

8 (K) ON OR BEFORE OCTOBER 1, 2026, AND AT LEAST ONCE A MONTH  
9 THEREAFTER, THE COMMISSION SHALL MAINTAIN AND PUBLISH OR REQUIRE  
10 ELECTRIC COMPANIES JOINTLY TO MAINTAIN AND PUBLISH A STATEWIDE NET  
11 ENERGY METERING CAPACITY TRACKER THAT, AT A MINIMUM, IDENTIFIES:

12 (1) THE TOTAL STATEWIDE NAMEPLATE GENERATING CAPACITY OF  
13 OPERATIONAL PROJECTS ENGAGING IN NET ENERGY METERING;

14 (2) THE REMAINING CAPACITY AVAILABLE BEFORE THE STATEWIDE  
15 LIMIT UNDER SUBSECTION (D) IS REACHED; AND

16 (3) BEGINNING JULY 1, 2027:

17 (I) RESERVED CAPACITY COUNTED TOWARD THE STATEWIDE  
18 LIMIT UNDER SUBSECTION (D) OF THIS SECTION; AND

19 (II) A LIST OF QUALIFIED SYSTEMS WITH RESERVED CAPACITY,  
20 INCLUDING THE ORDER IN WHICH EACH QUALIFIED SYSTEM OBTAINED RESERVED  
21 CAPACITY AND ANY DEADLINES BY WHICH THE QUALIFIED SYSTEM MUST BECOME  
22 OPERATIONAL.

23 (L) (1) ON OR BEFORE OCTOBER 1, 2026, THE COMMISSION SHALL  
24 INITIATE A PUBLIC PROCEEDING AND STAKEHOLDER PROCESS TO DEVELOP THE  
25 SUNRISE PROGRAM FOR A DELIVERY DATE OF JULY 1, 2027.

26 (2) ON OR BEFORE JULY 1, 2027, THE COMMISSION, BY REGULATION  
27 OR ORDER, SHALL ADOPT A SUNRISE PROGRAM THAT:

28 (I) ESTABLISHES A MECHANISM FOR COMPENSATION OF  
29 ELECTRICITY EXPORTED TO THE ELECTRIC DISTRIBUTION SYSTEM BY QUALIFIED  
30 SYSTEMS;

1                   **(II) INCLUDES IN ELECTRIC COMPANY TARIFFS FOR QUALIFIED**  
2 **SYSTEMS COMPENSATION FOR EXPORTED ELECTRICITY THAT, AT A MINIMUM,**  
3 **PROVIDES:**

4                   **1. BASELINE COMPENSATION EQUAL TO THE STANDARD**  
5 **OFFER SERVICE RATES OF THE ELECTRIC COMPANY, INCLUDING THE ENERGY**  
6 **VALUE, CAPACITY VALUE, AND TRANSMISSION VALUE;**

7                   **2. DEMAND REDUCTION-INDUCED PRICE EFFECTS ON**  
8 **ENERGY AND CAPACITY PRICES AND CROSS-MARKET PRICE REDUCTIONS;**

9                   **3. AVOIDED DISTRIBUTION COSTS;**

10                   **4. AVOIDED ANCILLARY SERVICES AND VOLTAGE**  
11 **STABILIZATION COSTS;**

12                   **5. RELIABILITY BENEFITS;**

13                   **6. NONEMBEDDED EMISSIONS; AND**

14                   **7. ANY OTHER CATEGORY OF BENEFITS APPROVED BY**  
15 **THE COMMISSION; AND**

16                   **(III) ACCOUNTS FOR NET EXCESS GENERATION IN THE SAME**  
17 **MANNER AS REQUIRED FOR A NET ENERGY METERED FACILITY UNDER SUBSECTION**  
18 **(F) OF THIS SECTION.**

19                   **(3) IN ESTABLISHING THE COMPENSATION VALUE UNDER**  
20 **PARAGRAPH (2)(II)1 OF THIS SUBSECTION, THE COMMISSION MAY ESTABLISH**  
21 **DIFFERENTIATED VALUES BASED ON FACTORS THE COMMISSION FINDS**  
22 **REASONABLY RELATED TO ELECTRIC DISTRIBUTION SYSTEM VALUE AND**  
23 **LOCATIONS, INCLUDING TIME OF GENERATION AND WHETHER THE QUALIFIED**  
24 **SYSTEM INCLUDES CO-LOCATED ENERGY STORAGE.**

25                   **(4) EACH ELECTRIC COMPANY SHALL IMPLEMENT THE SUNRISE**  
26 **PROGRAM THROUGH THE FOLLOWING TARIFFS THAT MUST BE APPROVED BY THE**  
27 **COMMISSION:**

28                   **(I) AN UPDATED COMMUNITY SOLAR ENERGY GENERATING**  
29 **SYSTEM TARIFF UNDER § 7-306.2 OF THIS SUBTITLE THAT INCORPORATES THE**  
30 **SUNRISE PROGRAM COMPENSATION METHODOLOGY; AND**

31                   **(II) A NEW TARIFF AVAILABLE TO:**

1                   **1. BEHIND-THE-METER QUALIFIED SYSTEMS**  
2 **ASSOCIATED WITH AN ELIGIBLE CUSTOMER-GENERATOR UNDER THIS SECTION;**

3                   **2. COMMUNITY SOLAR ENERGY GENERATING SYSTEMS**  
4 **UNDER § 7-306.2 OF THIS SUBTITLE; AND**

5                   **3. SYSTEMS THAT ENGAGE IN METER AGGREGATION**  
6 **UNDER § 7-306.3 OF THIS SUBTITLE.**

7           **(M) (1) IF THE STATEWIDE LIMIT UNDER SUBSECTION (D) OF THIS**  
8 **SECTION IS NOT REACHED WHEN THE SUNRISE PROGRAM BECOMES AVAILABLE**  
9 **UNDER SUBSECTION (L) OF THIS SECTION, A QUALIFIED SYSTEM THAT WOULD**  
10 **OTHERWISE QUALIFY TO PARTICIPATE IN NET ENERGY METERING ON OR AFTER**  
11 **JULY 1, 2027, MAY ELECT TO PARTICIPATE IN EITHER:**

12                   **(I) THE NET ENERGY METERING PROGRAM UNDER**  
13 **SUBSECTION (F) OF THIS SECTION; OR**

14                   **(II) THE SUNRISE PROGRAM UNDER SUBSECTION (L) OF THIS**  
15 **SECTION.**

16           **(2) WHEN THE STATEWIDE LIMIT UNDER SUBSECTION (D) OF THIS**  
17 **SECTION IS REACHED:**

18                   **(I) THE COMMISSION SHALL PROHIBIT ELECTRIC COMPANIES**  
19 **FROM ACCEPTING CAPACITY RESERVATIONS FROM QUALIFIED SYSTEMS THAT DID**  
20 **NOT HOLD A CAPACITY RESERVATION WHEN THE STATEWIDE LIMIT WAS REACHED;**  
21 **AND**

22                   **(II) THE SUNRISE PROGRAM SHALL REMAIN AVAILABLE TO**  
23 **QUALIFIED SYSTEMS THAT DID NOT HOLD A CAPACITY RESERVATION WHEN THE**  
24 **STATEWIDE LIMIT WAS REACHED.**

25           **[(j)] (N)** On or before November 1 of each year, the Commission shall report to  
26 the General Assembly, in accordance with § 2-1257 of the State Government Article, on the  
27 status of the net ENERGY metering program **OR THE SUNRISE PROGRAM** under this  
28 section, including:

29                   (1) the amount of capacity of electric generating facilities owned and  
30 operated by eligible customer-generators in the State by type of energy resource;

1 (2) based on the need to encourage a diversification of the State's energy  
 2 resource mix to ensure reliability, whether the rated generating capacity limit in subsection  
 3 (d) of this section should be altered; [and]

4 (3) THE AMOUNT OF RATED GENERATING CAPACITY COUNTED  
 5 TOWARD THE STATEWIDE LIMIT UNDER SUBSECTION (D)(2) OF THIS SECTION;

6 (4) IF APPLICABLE, THE STATUS OF THE COMMISSION'S PROCEEDING  
 7 AND STAKEHOLDER PROCESS TO ESTABLISH THE SUNRISE PROGRAM UNDER  
 8 SUBSECTION (L) OF THIS SECTION, INCLUDING KEY DATES, FILINGS, AND ACTIONS  
 9 TAKEN DURING THE PRECEDING YEAR; AND

10 [(3)] (5) other pertinent information.

11 7-306.2.

12 (a) (1) In this section the following words have the meanings indicated.

13 (2) (i) "Agrivoltaics" means the simultaneous use of areas of land:

14 1. that are maintained in agricultural use in accordance with  
 15 COMAR 18.02.03 or the Maryland Assessment Procedures Manual; and

16 2. for both solar power generation and:

17 A. raising grains, fruits, herbs, melons, mushrooms, nuts,  
 18 seeds, tobacco, or vegetables;

19 B. raising poultry, including chickens and turkeys, for meat  
 20 or egg production;

21 C. dairy production, such as the raising of milking cows;

22 D. raising livestock, including cattle, sheep, goats, or pigs;

23 E. horse boarding, breeding, or training;

24 F. turf farming;

25 G. raising ornamental shrubs, plants, or flowers, including  
 26 aquatic plants;

27 H. aquaculture;

28 I. silviculture; or

1 J. any other activity recognized as an agricultural activity  
2 under COMAR 18.02.03 or the Maryland Assessment Procedures Manual.

3 (ii) “Agrivoltaics” does not include the simultaneous use of areas of  
4 land for both solar power generation and:

5 1. apiaries; or

6 2. pollinator habitat.

7 (3) “Baseline annual usage” means:

8 (i) a subscriber’s accumulated electricity use in kilowatt–hours for  
9 the 12 months before the subscriber’s most recent subscription; or

10 (ii) for a subscriber that does not have a record of 12 months of  
11 electricity use at the time of the subscriber’s most recent subscription, an estimate of the  
12 subscriber’s accumulated 12 months of electricity use in kilowatt–hours, determined in a  
13 manner the Commission approves.

14 (4) “Community solar energy generating system” means a solar energy  
15 system that:

16 (i) is connected to the electric distribution system serving the State;

17 (ii) is located in the same electric service territory as its subscribers;

18 (iii) is attached to the electric meter of a subscriber or is a separate  
19 facility with its own electric meter;

20 (iv) credits its generated electricity, or the value of its generated  
21 electricity, to the bills of the subscribers to that system through virtual net energy  
22 metering;

23 (v) has at least two subscribers but no limit to the maximum number  
24 of subscribers;

25 (vi) does not have subscriptions larger than 200 kilowatts  
26 constituting more than 60% of its kilowatt–hour output;

27 (vii) has a generating capacity that does not exceed 5 megawatts as  
28 measured by the alternating current rating of the system’s inverter;

29 (viii) may be owned by any person; and

30 (ix) with respect to community solar energy generating systems  
31 constructed under the Program, [serves at least 40% of its kilowatt–hour output to LMI

1 subscribers] unless the solar energy system is wholly owned by the subscribers to the solar  
2 energy system, **EITHER:**

3 **1. SERVES AT LEAST 40% OF ITS KILOWATT-HOUR**  
4 **OUTPUT TO LMI SUBSCRIBERS:**

5 **A. THROUGH A SUBSCRIBER ORGANIZATION OR**  
6 **SUBSCRIPTION COORDINATOR; OR**

7 **B. BY ENROLLMENT FACILITATED BY THE OFFICE OF**  
8 **HOME ENERGY PROGRAMS OR A LOCAL ADMINISTERING AGENCY UNDER**  
9 **SUBSECTION (O) OF THIS SECTION; OR**

10 **2. DEDICATES OUTPUT IN ACCORDANCE WITH**  
11 **SUBSECTION (P) OF THIS SECTION.**

12 (5) “Consolidated billing” means a payment mechanism that requires an  
13 electric company to, at the request of a subscriber organization or subscription coordinator:

14 (i) include the monthly subscription charge of a subscriber  
15 organization or subscription coordinator on the monthly bills rendered by the electric  
16 company for electric service and supply to subscribers; and

17 (ii) remit payment for those charges to the subscriber organization  
18 or subscription coordinator.

19 (6) “Critical area” has the meaning stated in § 8-1802 of the Natural  
20 Resources Article.

21 **(7) “DESIGNATED LMI CUSTOMER” MEANS AN ELIGIBLE**  
22 **HOUSEHOLD THAT IS:**

23 **(I) ENROLLED IN THE PROGRAM IN ACCORDANCE WITH**  
24 **SUBSECTION (O) OF THIS SECTION; AND**

25 **(II) 1. LOW-INCOME;**

26 **2. MODERATE-INCOME; OR**

27 **3. LOCATED IN A CENSUS TRACT THAT IS:**

28 **A. AN OVERBURDENED COMMUNITY; AND**

29 **B. AN UNDERSERVED COMMUNITY.**

1           **(8) “ELIGIBLE HOUSEHOLD” MEANS A RESIDENTIAL ELECTRIC**  
2 **CUSTOMER THAT THE OFFICE OF HOME ENERGY PROGRAMS, A LOCAL**  
3 **ADMINISTERING AGENCY, A SUBSCRIPTION COORDINATOR, OR A SUBSCRIBER**  
4 **ORGANIZATION DETERMINES MEETS THE ELIGIBILITY REQUIREMENTS UNDER**  
5 **SUBSECTIONS (O) OR (P) OF THIS SECTION.**

6           **[(7)] (9)**       “LMI subscriber” means a subscriber that:

- 7                   (i)     is low-income;
- 8                   (ii)    is moderate-income; or
- 9                   (iii)   resides in a census tract that is:

- 10                           1.     an overburdened community; and
- 11                           2.     an underserved community.

12           **(10) “LOCAL ADMINISTERING AGENCY” MEANS A LOCAL ENTITY THAT**  
13 **ADMINISTERS OR ASSISTS IN THE ADMINISTERING OF PROGRAMS OF THE OFFICE OF**  
14 **HOME ENERGY PROGRAMS, AS DESIGNATED BY THE OFFICE.**

15           **[(8)] (11)**     “Low-income” means:

- 16                   (i)     having an annual household income that is at or below 200% of  
17 the federal poverty level; or
- 18                   (ii)    being certified as eligible for any federal, State, or local  
19 assistance program that limits participation to households whose income is at or below  
20 200% of the federal poverty level.

21           **[(9)] (12)**     “Moderate-income” means having an annual household income  
22 that is at or below 80% of the median income for Maryland.

23           **(13) “OFFICE OF HOME ENERGY PROGRAMS” OR “OFFICE” MEANS**  
24 **THE OFFICE OF HOME ENERGY PROGRAMS ESTABLISHED UNDER §**  
25 **5-5A-09.1 OF THE HUMAN SERVICES ARTICLE.**

26           **[(10)] (14)**    “Overburdened community” has the meaning stated in § 1-701  
27 of the Environment Article.

28           **[(11)] (15)**    “Pilot program” means the program established under this  
29 section before July 1, 2023, and effective until the start of the Program established under  
30 subsection (d)(20) of this section.

1                    ~~[(12)]~~ **(16)** “Program” means the Community Solar Energy Generating  
2 Systems Program.

3                    ~~[(13)]~~ **(17)** “Queue” means:

4                    (i) the pilot program queue an electric company is required to  
5 maintain under COMAR 20.62.03.04; and

6                    (ii) a queue an electric company may be required to maintain under  
7 the Program.

8                    ~~[(14)]~~ **(18)** “Subscriber” means a retail customer of an electric company that:

9                    (i) holds a subscription to a community solar energy generating  
10 system; and

11                    (ii) has identified one or more individual meters or accounts to which  
12 the subscription shall be attributed.

13                    ~~[(15)]~~ **(19)** “Subscriber organization” means:

14                    (i) a person that owns or operates a community solar energy  
15 generating system; or

16                    (ii) the collective group of subscribers of a community solar energy  
17 generating system.

18                    ~~[(16)]~~ **(20)** “Subscription” means the portion of the electricity generated by  
19 a community solar energy generating system that is credited to a subscriber.

20                    ~~[(17)]~~ **(21)** “Subscription coordinator” means a person that:

21                    (i) markets community solar energy generating systems or  
22 otherwise provides services related to community solar energy generating systems under  
23 its own brand name;

24                    (ii) performs any administrative action to allocate subscriptions,  
25 connect subscribers with community solar energy generating systems, or enroll customers  
26 in the Program; or

27                    (iii) manages interactions between a subscriber organization and an  
28 electric company or electricity supplier relating to subscribers.

29                    ~~[(18)]~~ **(22)** “Underserved community” has the meaning stated in § 1–701 of  
30 the Environment Article.

1            **[(19)] (23)** “Unsubscribed energy” means any community solar energy  
2 generating system output in kilowatt–hours that is not allocated to any subscriber.

3            **[(20)] (24)** “Virtual net energy metering” means measurement of the  
4 difference between the kilowatt–hours or value of electricity that is supplied by an electric  
5 company and the kilowatt–hours or value of electricity attributable to a subscription to a  
6 community solar energy generating system and fed back to the electric grid over the  
7 subscriber’s billing period, as calculated under the tariffs established under subsections  
8 (e)(2), (f)(2), and (g)(2) of this section.

9            **(O) (1) (I) A COMMUNITY SOLAR ENERGY GENERATING SYSTEM MAY**  
10 **SATISFY ALL OR PART OF THE LMI SUBSCRIBER PARTICIPATION REQUIREMENT**  
11 **UNDER SUBSECTION (A)(4)(IX)1 OF THIS SECTION THROUGH ENROLLMENT OF**  
12 **ELIGIBLE HOUSEHOLDS IN THE PROGRAM IN ACCORDANCE WITH THIS SUBSECTION.**

13                            **(II) ENROLLMENT UNDER SUBPARAGRAPH (I) OF THIS**  
14 **PARAGRAPH SHALL BE FACILITATED BY THE OFFICE OR A LOCAL ADMINISTERING**  
15 **AGENCY.**

16            **(2) THE OFFICE OR A LOCAL ADMINISTERING AGENCY SHALL**  
17 **DESIGNATE ONE OR MORE SUBSCRIPTION COORDINATORS OR SUBSCRIBER**  
18 **ORGANIZATIONS PER COMMUNITY SOLAR ENERGY GENERATING SYSTEM TO**  
19 **SUPPORT ENROLLMENT, COMMUNICATIONS, AND ONGOING SUBSCRIPTION**  
20 **MANAGEMENT UNDER THIS SUBSECTION.**

21            **(3) THE OFFICE OR A LOCAL ADMINISTERING AGENCY SHALL**  
22 **IDENTIFY, BY ELECTRIC COMPANY SERVICE TERRITORY, ELIGIBLE HOUSEHOLDS**  
23 **FOR ENROLLMENT UNDER THIS SUBSECTION.**

24            **(4) THE OFFICE OR A LOCAL ADMINISTERING AGENCY MAY**  
25 **PRIORITIZE ELIGIBLE HOUSEHOLDS FOR ENROLLMENT UNDER THIS SUBSECTION**  
26 **BASED ON HOUSEHOLD NEED, INCLUDING PRIORITIZING BY:**

27                            **(I) BENEFIT LEVEL, PRIORITY TIERS, OR SIMILAR NEED–BASED**  
28 **CATEGORIZATION BY THE OFFICE; OR**

29                            **(II) DURATION OF PARTICIPATION IN ASSISTANCE PROGRAMS**  
30 **ADMINISTERED BY THE OFFICE.**

31            **(5) THE OFFICE OR A LOCAL ADMINISTERING AGENCY MAY:**

1           **(I) INITIALLY LIMIT ENROLLMENT UNDER THIS SUBSECTION**  
2 **TO ELIGIBLE HOUSEHOLDS PARTICIPATING IN ASSISTANCE PROGRAMS**  
3 **ADMINISTERED BY THE OFFICE; OR**

4           **(II) EXPAND ELIGIBILITY TO ADDITIONAL CATEGORIES OF**  
5 **INCOME-QUALIFIED CUSTOMERS, INCLUDING HOUSEHOLDS PARTICIPATING IN**  
6 **OTHER MEANS-TESTED PUBLIC BENEFIT PROGRAMS, IN ACCORDANCE WITH**  
7 **GUIDELINES ISSUED BY THE OFFICE.**

8           **(6) BEFORE ENROLLMENT, THE OFFICE, A LOCAL ADMINISTERING**  
9 **AGENCY, A SUBSCRIPTION COORDINATOR, OR A SUBSCRIBER ORGANIZATION**  
10 **DESIGNATED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL SEND AN**  
11 **OPT-OUT NOTICE TO EACH ELIGIBLE HOUSEHOLD SELECTED FOR ENROLLMENT**  
12 **UNDER THIS SUBSECTION THAT:**

13           **(I) STATES THAT THE HOUSEHOLD WILL RECEIVE COMMUNITY**  
14 **SOLAR BILL CREDITS THAT REDUCE THE HOUSEHOLD'S ELECTRIC BILL;**

15           **(II) DESCRIBES THE DISCOUNT AND KEY TERMS REQUIRED**  
16 **UNDER THIS SUBSECTION; AND**

17           **(III) PROVIDES A CLEAR METHOD FOR OPTING OUT.**

18           **(7) IF AN ELIGIBLE HOUSEHOLD DOES NOT OPT OUT WITHIN 45 DAYS**  
19 **OF TRANSMITTAL OF THE NOTICE REQUIRED UNDER PARAGRAPH (6) OF THIS**  
20 **SUBSECTION, THE SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
21 **DESIGNATED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY REQUEST THAT THE**  
22 **ELECTRIC COMPANY ENROLL THE HOUSEHOLD AS A DESIGNATED LMI CUSTOMER**  
23 **UNDER THE PROGRAM.**

24           **(8) AN ELECTRIC COMPANY SHALL APPLY BILL CREDITS UNDER THIS**  
25 **SUBSECTION IN ACCORDANCE WITH COMMISSION-APPROVED TARIFFS AT THE**  
26 **DIRECTION OF THE SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
27 **DESIGNATED UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

28           **(9) A DESIGNATED LMI CUSTOMER SHALL RECEIVE GUARANTEED**  
29 **ELECTRIC BILL SAVINGS OF 20% OF THE VALUE OF THE BILL CREDITS APPLIED TO**  
30 **THE LMI CUSTOMER.**

31           **(10) AN ENROLLMENT UNDER THIS SUBSECTION MAY NOT INCLUDE:**

32           **(I) AN ENROLLMENT FEE; OR**

1                   **(II) A TERMINATION FEE.**

2                   **(11) AN ELIGIBLE HOUSEHOLD MAY NOT BE REQUIRED TO EXECUTE A**  
3 **SUBSCRIBER AGREEMENT OR CONTRACT DISCLOSURE FORM FOR AN ENROLLMENT**  
4 **UNDER THIS SUBSECTION.**

5                   **(12) A SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
6 **DESIGNATED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL PAY AN**  
7 **ACQUISITION FEE OF \$50 TO THE OFFICE OR THE LOCAL ADMINISTERING AGENCY**  
8 **FOR EACH DESIGNATED LMI CUSTOMER ENROLLED UNDER THIS SUBSECTION.**

9                   **(13) THE OFFICE OR A LOCAL ADMINISTERING AGENCY MAY**  
10 **CONTRACT WITH A SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
11 **TO CARRY OUT THE REQUIREMENTS UNDER THIS SUBSECTION.**

12                   **(P) (1) A COMMUNITY SOLAR ENERGY GENERATING SYSTEM MAY**  
13 **DEDICATE 8% OF THE KILOWATT-HOUR OUTPUT OF THE COMMUNITY SOLAR**  
14 **ENERGY GENERATING SYSTEM FOR FREE APPLICATION BY THE OFFICE OR THE**  
15 **MARYLAND ENERGY ADMINISTRATION TO ELIGIBLE HOUSEHOLDS THAT ARE:**

16                   **(I) IDENTIFIED IN ACCORDANCE WITH THIS SUBSECTION FOR**  
17 **ENROLLMENT IN THE PROGRAM; AND**

18                   **(II) 1. LOW-INCOME;**

19                                   **2. MODERATE-INCOME; OR**

20                                   **3. LOCATED IN A CENSUS TRACT THAT IS:**

21                                   **A. AN OVERBURDENED COMMUNITY; AND**

22                                   **B. AN UNDERSERVED COMMUNITY.**

23                   **(2) THE OFFICE OR THE MARYLAND ENERGY ADMINISTRATION**  
24 **SHALL:**

25                   **(I) IDENTIFY ELIGIBLE HOUSEHOLDS FOR ENROLLMENT IN**  
26 **THE PROGRAM IN ACCORDANCE WITH THIS SUBSECTION; AND**

27                   **(II) ALLOCATE A DEDICATED BLOCK OF CAPACITY AMONG**  
28 **ELIGIBLE HOUSEHOLDS IDENTIFIED UNDER THIS SUBSECTION.**

1           **(3) AN ELECTRIC COMPANY SHALL APPLY THE BILL CREDITS**  
2 **ASSOCIATED WITH THE DEDICATED BLOCK OF CAPACITY TO ELIGIBLE HOUSEHOLDS**  
3 **BASED ON ALLOCATION INSTRUCTIONS PROVIDED BY THE OFFICE, THE MARYLAND**  
4 **ENERGY ADMINISTRATION, OR THE SUBSCRIPTION COORDINATOR OR SUBSCRIBER**  
5 **ORGANIZATION DESIGNATED UNDER PARAGRAPH (7) OF THIS SUBSECTION.**

6           **(4) THE OFFICE MAY REALLOCATE CAPACITY BLOCK AMOUNTS**  
7 **DURING THE YEAR TO ACCOUNT FOR CHANGES IN HOUSEHOLD STATUS, ACCOUNT**  
8 **CLOSURES, RELOCATIONS, OR OTHER EVENTS, IN ACCORDANCE WITH COMMISSION**  
9 **REGULATIONS.**

10           **(5) AN ELIGIBLE HOUSEHOLD MAY NOT BE REQUIRED TO EXECUTE A**  
11 **SUBSCRIBER AGREEMENT OR CONTRACT DISCLOSURE FORM FOR AN ENROLLMENT**  
12 **UNDER THIS SUBSECTION.**

13           **(6) A SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
14 **MAY CONTINUE TO ENROLL OTHER SUBSCRIBERS FOR THE PORTION OF THE**  
15 **COMMUNITY SOLAR ENERGY GENERATING SYSTEM'S OUTPUT NOT DEDICATED TO**  
16 **ELIGIBLE HOUSEHOLDS IN ACCORDANCE WITH THIS SUBSECTION.**

17           **(7) THE OFFICE OR THE MARYLAND ENERGY ADMINISTRATION MAY**  
18 **CONTRACT WITH A SUBSCRIPTION COORDINATOR OR SUBSCRIBER ORGANIZATION**  
19 **TO CARRY OUT THE REQUIREMENTS UNDER THIS SUBSECTION.**

20           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
21 1, 2026.