

**Policy Position of the Advocates for Herring Bay¹
Regarding SB 281: Renewable and Energy Development and Siting
Statement Submitted by Kathy Gramp
February 11, 2020**

Support with an amendment

Supporting SB 281 and proposing additional language to initiate a pilot program for economic incentives for siting community and other solar systems on preferred surfaces

We applaud the sponsors of SB 281 for taking the first step in providing economic and regulatory incentives for solar projects on rooftops, parking lots, and brownfields. Installing solar on surfaces that sequester little or no carbon—like impervious surfaces—will allow Maryland to decarbonize the grid while maximizing the natural carbon sequestration potential of our forests and other lands.

While the incentives in SB 281 will move Maryland in the right direction, their scope and size are too small to redirect much investment from greenfields to alternative surfaces. Other states are showing it can be done. New Jersey recently approved over 77 MW_{dc} of community solar on impervious and impaired surfaces, and over 20 percent of the new solar capacity in Massachusetts is from non-greenfield projects.²

We urge you to jump-start the diversity of Maryland's in-state solar generation so we can have a balanced portfolio by the 2028 deadline in the RPS. Specifically, we suggest adding language to SB 281 to direct the Public Service Commission to implement a pilot program of economic incentives modeled on those in other states, which have allocated some of the financial benefits of SRECs and other pricing differentials to projects on surfaces like those exempt from the franchise tax under SB 281. Since many rooftops and impaired sites are relatively small, we suggest including community solar as well as other projects in the pilot program. Finally, launching the incentive program by 2022 would give the Commission nearly two years to complete the necessary proceedings. An illustrative example of legislative language for an amendment is shown below.

With this amendment, SB 281 will help put Maryland on a path toward reducing its carbon emissions on a holistic basis. We urge the Committee to favorably report this bill, including our proposed amendment.

Example of potential legislative language

Amend Article 2 (Public Utilities) to include the following:

Not later than December 31, 2022, the Commission shall implement a pilot program of economic incentives for community and other solar projects located on eligible clean and renewable energy generation sites as defined in [proposed Article 8-402(b)(4)(II)]. In developing this pilot program, the Commission shall consider approaches being used by other states to provide predictable and long-term economic incentives for installing solar energy systems on such sites.

¹ The Advocates for Herring Bay is a community-based environmental group in Anne Arundel County.

² For a list of the New Jersey projects, see <https://www.nj.gov/bpu/pdf/boardorders/2019/20191220/12-20-19-8D.pdf>.