



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor
Jeannie Haddaway-Riccio, Secretary
Charles Glass, Deputy Secretary

February 11, 2020

The Honorable Paul G. Pinsky
Chair, Education, Health and Environmental Affairs Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

The Honorable Cheryl C. Kagan
Vice Chair, Education, Health and Environmental Affairs Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Support – Senate Bill 281– Renewable Energy Development and Siting (REDS) – Evaluations and Tax and Fee Exemptions

Dear Chair Pinsky, Vice Chair Kagan and Committee Members:

The Maryland Department of Natural Resources supports Senate Bill 281 and respectfully requests a favorable committee report.

Last year, the Governor created the Task Force on Renewable Energy Development and Siting which continues to work to ensure that unwise siting does not jeopardize the natural and cultural resources of Maryland. Senate Bill 281 seeks to codify key recommendations from the Task Force’s 2019 Interim Report including financial incentives to promote the development of clean or renewable generation facilities on brownfield sites across the state.

It is widely recognized that meaningful financial incentives are the most important lever that the state can use to encourage new clean and renewable energy development. This bill creates two financial incentives. First, this bill will waive certain Voluntary Cleanup Program application fees if an applicant certifies that the future use of the property will generate clean or renewable energy. Secondly, it exempts certain public-private partnerships formed for the generation of clean or renewable energy from the franchise tax under certain circumstances.

The bill also allows the PSC to re-evaluate any clean or renewable energy generating station for which a Certificate of Public Convenience and Necessity (CPCN) is required if a material change has been made, ensuring clean and renewable development is done as intended during the CPCN process. The PSC already has this authority, but this bill codifies the authority to ensure any material changes may be reviewed.

For the above reasons, the Maryland Department of Natural Resources respectfully requests the Committee to grant Senate Bill 281 a favorable report.

Respectfully submitted,
James W. McKittrick
Director, Legislative and Constituent Services

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