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21 February 2021

Budget & Taxation Committee
Miller Senate Office Bldg
11 Bladen St
Annapolis, MD 21401

Re: SB 841 – Property Tax – Solar Energy Systems
Position: SUPPORT

Good afternoon Chairman Guzzone, Vice Chairman Rosapepe and distinguished members of the committee.

My name is Nate Greenberg, Vice President at Summit Ridge Energy. We are here in support of Chairman Guzzone's legislation, SB 841.

Summit Ridge Energy develops, owns, and operates community solar projects around the nation. We are one of the leaders in the Maryland community solar market. Of our 16 Maryland community solar projects with reserved capacity in the program, we are working in earnest to develop 11 of those on industrial rooftops. This includes a project that if built will be not only the largest rooftop community solar project in the United States, but one of the top ten largest rooftop solar projects around the world, right here in Maryland. Summit Ridge Energy is making a real effort to follow the guidance laid out by last year's Governor's Task Force on Solar Siting, and to develop more community solar projects on rooftops.

This bill only applies to community solar projects constructed on rooftops and parking lots, which are less than 15% of the total amount of community solar projects in Maryland. The attached chart highlights the current community solar projects that are being constructed on rooftops and parking lots. This bill does not seek any form of tax exemption for ground-mounted community solar projects.

Rooftop and carport community solar projects are not without their challenges. High rent rates and lower system production put them at a disadvantage to ground-mounted community solar projects. Construction costs are often higher than solar projects built on the ground. Building owners are often hesitant to host these systems for fear the additional rental income could increase their building property taxes. SB 841 helps ease those barriers to entry and will stimulate strong growth of the Maryland rooftop community solar market.

As word spreads among building owners that leasing their roofs to community solar projects is a great way to earn additional rental income on otherwise unusable space, especially after the tough year so many had in 2020, the demand to host these projects continues to increase

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exponentially. At the same time, county zoning boards have made it clear that they want less community solar projects on agricultural land and greenfields, and more community solar projects on rooftops and carports. Unfortunately, the tax uncertainty surrounding rooftop and carport community solar projects is a major barrier to development. The passage of SB 841puts Maryland in a position to capture this demand and catapult itself to being one of the leading rooftop community solar markets in the country.

Thank you for your time today.

Sincerely,

Nathan Greenberg
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