

**Testimony of
Jake Springer
Nexamp**

**Submitted to the
MARYLAND GENERAL ASSEMBLY
Economic Matters Committee
HB 569 - Electricity – Net Energy Metering – Limit
February 4, 2021**

Thank you for the opportunity to submit written testimony for the Committee’s consideration of HB 569. Nexamp strongly supports this bill, which would increase the net energy metering cap from 1500 MW to 3000 MW. We greatly appreciate Delegate Clippinger’s leadership on this important issue, which is critical for our development of community solar here in Maryland. Our company has been an active participant in the Community Solar Pilot Program since 2017, with one operational project in Queen Anne’s County serving 51% LMI customers, and several more under development.

Nexamp was founded over a decade ago, and since that time has grown from a small residential solar installer to a fully integrated solar development company with 165 projects totaling over 200 MW of solar installations in seven states. The growth and success of our program can be attributed to our fair and equitable subscription program. Our program was designed to ensure that everyone – regardless of income, credit history, roof space or geographic location – can participate in community solar. We do not run credit checks on prospective customers, there is no cost to join our program and no penalty for leaving the program (we ask for 90 days’ notice), and we offer a stable, guaranteed discount of at least 10% against the customers’ standard electricity rates. Even as rates change over time, our customers are guaranteed the same fixed discount for as long as they choose to participate in one of our community solar farms.

We are proud of the program we have built and the access to clean, renewable energy that it has afforded residents, small businesses, non-profits and others. We have developed projects with reserved offtake for low and moderate income (“LMI”) customers in Illinois, New Jersey, New York, and here in Maryland; and we are actively working to see community solar, and LMI access in particular, succeed in Maryland.

Net metering has been one of the most important policies in driving clean energy growth in Maryland and across the country. Raising the state’s cap on net metering is essential for the long-term success of the Community Solar Program, which will play a key role in the state achieving its clean energy goals. Net metering is the underlying policy that supports distributed solar energy here in Maryland, and for Nexamp, it is one of the main policies that enables our continued investment in the state.

However, the state is on track to hit the net metering cap in the coming years which could slow the pace of solar development and imperil the state’s ambitious clean energy agenda. An extension of the cap is needed for us to continue to deploy projects, with all the benefits that they provide the state and local communities: economic development, local tax revenue, and electricity savings to Maryland residents,

particularly low-income residents. Without net metering, low-income residents, renters, and others cannot participate in and enjoy the benefits of the state's clean energy economy.

Extending the cap now through HB 569, before we are on the verge of hitting it, is a critical step that offers several benefits. Given that solar projects can take multiple years to develop, acting now will provide the essential long-term certainty to businesses like Nexamp, who rely on long-term policy certainty to justify continued, sustained investment for our work in Maryland. That certainty allows for more efficient, steady deployment of projects, in keeping with the state's goals, and avoids the boom and bust that can happen as businesses are forced to account for a looming deadline by slowing their activity. For community solar projects, which have longer lead times than other solar project types, this long-term certainty is particularly important. Failing to act now could eventually have a negative effect on solar investment in the state, even before the cap is reached.

In addition, as a complement to the broader targets the state has established, extending the net metering cap will send a strong signal for investment and growth in Maryland's clean energy economy. As a long-term owner and operator of our facilities in addition to being a developer, Nexamp focuses our investment in projects and personnel in states where we see the greatest potential over the long-term. In Maryland, net metering is a key component of that outlook for us, and it keeps our investment dollars here.

We urge you to support HB 569, and to support local solar development. Thank you for your consideration.

Respectfully,

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