

SB 508 - MoCo (GA 21).pdf

Uploaded by: Boucher, Kathleen

Position: FAV



Montgomery County

Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

SB 508

DATE: February 12, 2021

SPONSOR: Senator Peters

ASSIGNED TO: Finance

CONTACT PERSON: Kathleen Boucher (kathleen.boucher@montgomerycountymd.gov)

POSITION: Support

Public Utilities – Net Energy Metering

Under current law, electric companies are required to allow net metering for renewable energy projects constructed by eligible customer-generators if the capacity of a project is limited to 2 megawatts (MW). This bill increases the 2 MW cap on project capacity to 5 MW and provides that the Public Service Commission (PSC) may not prohibit the construction of multiple net metered solar energy generating facilities located on contiguous lots that are owned by a local government solely because the capacity of the combined net metering systems exceeds the 5 MW cap.

Montgomery County uses net metering to enhance the financial feasibility of all solar energy projects installed on County-owned land and buildings (e.g., libraries, community centers, parking lots, warehouses). To date, the County has installed 7.06 MW of solar energy at 16 sites that generate a total of 10,500,000 kilowatt hours (KwH) each year. The County has a development pipeline of solar energy projects that have been approved or are in design that would add 10 MW of installed capacity and is exploring opportunities for another 10 MW of installed capacity in the next five years.

Although some County-owned property, such as the Oaks Landfill, could accommodate larger capacity projects, these projects are not financially viable without net metering. Increasing the project capacity cap to 5 MW and allowing aggregation of projects on contiguous lots would significantly enhance the possibility of increasing the amount of solar energy that can be generated on County-owned property.

Montgomery County respectfully requests that the Finance Committee give this bill a favorable report.

SolAmerica-Letter-of-Support-SB508.pdf

Uploaded by: Buffington, John

Position: FAV



February 2021

Re: FAVORABLE SUPPORT REQUESTED for SB508

Dear Senate Finance Committee Members,

I am writing to **request your favorable support for Senate Bill 508: Public Utilities - Net Energy Metering**

The company I represent, SolAmerica Energy, develops and constructs solar energy projects. This includes systems intended to serve commercial and industrial customers, a segment that we believe remains under-represented in solar deployment despite rapidly growing interest in demonstrating a commitment to environmental sustainability with on-site renewable energy. By increasing the maximum system size that can qualify for net energy metering to five (5) megawatts, this bill offers an important opportunity to make solar a more viable, relevant opportunity for this market segment.

Specifically, here are the reasons we believe this bill deserves your support:

1. **The larger system size could make solar viable for those on industrial rate classes**, a sector that increasingly endeavors to support clean energy. Currently, project economics often do not typically allow for costs savings (or an attractive payback) for large volume users on rate plans with the cheapest electric supply rates. The economies gained from increased system size, which would lower total unit costs of installation, could make a profound difference.
2. **The larger system size makes solar more relevant to large volume electric consumers, such as manufacturers and data centers.** For these large facilities, two (2) megawatts may be a very small portion of total electric requirements, meaning the system has a small impact on total electric costs or environmental impacts associated with electric usage. For those few facilities that could actually take advantage of it, a significantly larger system size could make solar a more relevant value add.
3. **For the following reasons, we believe this increase would not meaningfully impact solar capacity available to residential or other market segments:**
 1. The number of customers who could consume this volume will be limited;
 2. For those who could consume this volume, many or most will not have the available space, be it on the ground, the roof or over a parking lot, to host a project of this size; and
 3. Receiving local approval for project development can already be challenging for 2 MW projects in many Maryland counties. Therefore, it is expected that larger projects will face even stronger local challenge, further narrowing the pool of appropriate sites.
 4. Market penetration data for Maryland continues to suggest that the commercial and industrial market lags other segments, including residential solar.

Improving the ability of the commercial and industrial market segment to “go solar” is the right thing to do. It creates jobs while demonstrating that Maryland welcomes industry-leading, responsible businesses. Indeed, corporate leaders increasingly seek to establish operations in locations that share their values.



Favorable Support Requested
SB508

Your consideration and **favorable support of SB 508** will be much appreciated.

Sincerely,

A handwritten signature in black ink that reads "John Buffington". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

John Buffington
VP Business Development
SolAmerica Energy
1800 M St. NW, Suite 700, Washington DC 20036

SB0508-FIN_MACo_SUP.pdf

Uploaded by: Butler, Alex

Position: FAV



Senate Bill 508

Public Utilities – Net Energy Metering

MACo Position: **SUPPORT**

To: Finance Committee

Date: February 16, 2021

From: Alex Butler

The Maryland Association of Counties **SUPPORTS** SB 508 as the bill would give counties greater flexibility to undertake and site net metering projects.

SB 508 increases the maximum generating capacity of a net metering electrical generating project from 2 megawatts to 5 megawatts. If the project is located on separate contiguous lots that are owned by a local government, there is no limit. Net metering and customer-generator solar projects help create a more robust and decentralized energy grid. These projects can often be sited away from prime agricultural areas on otherwise underutilized land such as a wastewater treatment plant or a landfill. Net metering is often essential to the financial viability of projects, and increasing the capacity would allow counties to pursue larger projects and therefore more clean energy for their residents, subject to local zoning approval.

SB 508 provides reasonable flexibility for counties to undertake useful and needed net metering solar projects. Accordingly, MACo requests a **FAVORABLE** report on SB 508.

ANEM Testimony SB 508.pdf

Uploaded by: Levan, Elissa

Position: FAV

Testimony: SB 508

Testimony of Elissa Levan, Bowie City Attorney

An Aggregate Net Energy Metering System is one in which the owner of a solar array sends energy to the grid and receives a credit against its own energy bills. In Maryland, there is a cap on the total amount of energy that can be subject to net metering and there are also caps on the individual systems generating the solar energy towards the Statewide cap.

Our bill increases the permissible size of individual systems from 2 mW to 5 mW and provides that the PSC may not refuse to permit ANEM for multiple municipally-owned systems on separate lots for the sole reason that they collectively exceed the cap on an individual system.

The bill was made necessary by a matter before the Public Service Commission in 2018 known as Blue Star, in which the PSC denied a Certificate of Public Necessity for a net metered system at Washington College. The PSC decision in that matter created uncertainty for some governmental entities that had solar arrays already under contract, including a pair of arrays being constructed by Tesla for the City of Bowie, even though the factual circumstances of the Blue Star matter were distinguishable from those of the City.

Our bill, which costs the State nothing, would encourage jurisdictions around the state to construct and use solar energy facilities. That is good for the environment and for public health, and at the same time allows Maryland local governments to save money, an important tool in the financial circumstances in which we find ourselves due to the pandemic and its impacts on the economy. Local governments are going to need to achieve cost-savings wherever possible in order to make up for large anticipated losses in property tax and other revenue. This is a win-win way for them to do that.

A similar but much more ambitious bill was pursued in the 2019 legislative session by the Montgomery County delegation, so one can easily see that this is not merely the concern of a single jurisdiction. There is currently another bill pending, sponsored by Del. Kramer, that would increase the Statewide cap on total capacity subject to allocation.

A word about the fiscal note: it mentions without much specificity that there may be costs for local governments associated with monitoring excess electricity generation; but that is a matter of choice for the local government. When the government does the project planning, it would take that cost into account. It's not a reason to deny all governmental entities the opportunity to make that choice. Likewise, as to the hypothetical impact on personal property tax revenue – it's an individual cost-benefit analysis that should be undertaken at the local level.

Very truly yours,



Elissa Levan, City Attorney

SB0508 City Of Bowie testimony - support.pdf

Uploaded by: Mears, Daniel

Position: FAV



City of Bowie

15901 Excalibur Road
Bowie, Maryland 20716

City of Bowie Testimony for SB 0508

The City of Bowie has a long history of focusing on sustainable practices, beginning with a green infrastructure plan in 2003. The Maryland General Assembly passed the Sustainable Communities Act of 2010. The Act was passed to increase economic, transportation, and housing choices, as well as to improve environmental quality and health outcomes, among other locally identified goals.

In May 2012, the Maryland Smart Growth Subcabinet approved the City's Sustainable Community Action Plan and designated Bowie as a Sustainable Community. As a member of Sustainable Maryland since 2013, the City of Bowie adopted a comprehensive Sustainability Plan in 2016. One of the City's goals of these sustainable practices is to convert most of the City's electric usage to solar power.

The City owns over 80 acres of land on which it had originally planned to use for sludge disposal. That activity did not need to happen, and the City is able to use that property for constructing the first of two phases of a solar array, which would ultimately remove two thirds of the City's energy consumption from the power grid.

With the first phase of solar array construction set to be complete this spring, the City has a contract ready to proceed with the second phase. Passage of this bill would clear the uncertainty of the PSC regarding Aggregate Net Energy Metering Systems and enable the City of Bowie and other local governments to shift more of their electricity production to a sustainable practice with this higher capacity.

The City of Bowie would appreciate your support of this bill.

MAYOR Timothy J. Adams

MAYOR PRO TEM Adrian Boafó

COUNCIL Michael P. Esteve • Henri Gardner • Ingrid S. Harrison • Roxy Ndebumadu • Dufour Woolfley **CITY MANAGER** Alfred D. Lott

City Hall (301) 262-6200 FAX (301) 809-2302 TDD (301) 262-5013 WEB www.cityofbowie.org

HB 584 -- Net Metering 2 to 5.pdf

Uploaded by: Dennison, Tom

Position: UNF



1-888-440-3311

P.O. Box 1937, Hughesville, MD 20637

www.smeco.coop

People. Power. Progress.

February 4, 2021

HB 584: Public Utilities – Net Energy Metering

Committee: House Economic Matters

Position: Opposed

Southern Maryland Electric Cooperative (SMECO), a member-owned electric cooperative based in Hughesville that provides electricity to more than 166,000 customers in Charles, St. Mary's, Calvert and southern Prince George's County, opposes HB 584. The bill increases the maximum capacity – from 2 megawatts to 5 megawatts – for electric generating systems to be eligible to participate in net metering.

SMECO opposes this bill because it is unnecessary; it will have a negative financial impact on cooperative and it exacerbates an unfair subsidy to net metered customers that will be borne out in the rates of all our other customers. Limiting a net metered system to 2 megawatts is appropriate to ensure a system is not overbuilt to enhance its profitability. SMECO has yet to see the evidence that the cap needs to be lifted from 2 megawatts. Today in Southern Maryland there are multiple solar facilities that exist or have been proposed under the traditional rules as generating facilities. These facilities are made possible through Power Purchase Agreements with SMECO and the facilities owners did not seek to have them net metered.

There are two components of SMECO's electric bill – the Standard Offer Service (SOS) commodity and the distribution costs. The commodity is the electrons flowing through our electric grid. This is a pass-through cost. The distribution rate is what pays for our poles, trucks and operations of the cooperative. More than 70 percent of SMECO's distribution cost recovery, as approved by the PSC, is based on the amount of electricity someone uses.

This unbalanced percentage illustrates the concern we have for lifting the net metering cap. The less electricity someone uses – especially on a large scale – a smaller percentage of distribution revenue is collected and the costs for maintaining our distribution system falls on non-net-metered customers.

HB 584 will amplify this negative financial impact by continuing to subsidize these enterprises.

For that reason and those stated above, SMECO requests an unfavorable report on HB 584.

For more information, contact: Tom Dennison, SMECO

Government and Public Affairs Manager

240-506-6772 • tom.dennison@smeco.coop



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People. Power. Progress.

For more information, contact: Tom Dennison, SMECO

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Opposition of SB508 - Public Utilities – Net Energ

Uploaded by: Ferguson, Colby

Position: UNF



Maryland Farm Bureau, Inc.

3358 Davidsonville Road • Davidsonville, MD 21035 • (410) 922-3426

February 16, 2021

To: Senate Finance Committee

From: Maryland Farm Bureau, Inc.

Re: **Opposition of SB508 - Public Utilities – Net Energy Metering**

On behalf of our member families, I submit this written testimony opposing SB 508. This bill increases the maximum generation capacity of an electric generating system used by an eligible customer-generator for net metering to 5 megawatts. It also prohibits the Public Service Commission from prohibiting the construction or operation of multiple net metered solar generating facilities located on contiguous lots that are owned by a local government solely because the capacity of the combined net metering systems exceeds the 5-megawatt limit.

The primary issues with this bill is it increases the size of a solar project which in turn increases the amount of land needed to have a project that large. In addition, the bill opens county property that could be leased to farmer. Allowing several of these projects to circumvent the CPCN process would allow more county-owned farmland to be transitioned to solar panels. If language was added to allow the multiple solar projects to combine only on brownfields, then MDFB would not oppose that section of the bill.

MDFB Policy: We oppose any additional increases to the solar carve out in the RPS unless projects are two megawatts or smaller.

We encourage that brownfields, and urban areas be utilized to assist with the clean energy mandate in lieu of prime and productive farmland.

MARYLAND FARM BUREAU RESPECTFULLY OPPOSES SB 508

A handwritten signature in black ink, appearing to read "Colby Ferguson". The signature is stylized and includes a long horizontal flourish at the end.

Colby Ferguson
Director of Government Relations

For more information contact Colby Ferguson at (240) 578-0396

SB 508 Net Energy Metering.pdf

Uploaded by: Mayhew, Kim

Position: UNF



Anne M. Grealy
Senior Advisor, Government &
Regulatory Affairs
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OPPOSE – Senate Bill 508
SB 508 – Public Utilities – Net Energy Metering
Finance Committee
Thursday, February 16, 2021

Potomac Edison opposes **Senate Bill 508 – Public Utilities – Net Energy Metering**. Senate Bill 508 would increase the maximum generation capacity of an electric generating system used by an eligible customer-generator for net metering to 5 megawatts; and prohibit the Public Service Commission from prohibiting the construction or operation of multiple net metered solar generating facilities located on contiguous lots that are owned by a local government solely because the capacity of the combined net metering systems exceeds the 5 megawatt limit.

Unfavorable

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 270,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties). FirstEnergy is dedicated to safety, reliability and operational excellence. Its ten electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, West Virginia, Maryland and New York.

FirstEnergy requests an Unfavorable report on SB 508 for the following reasons.

- Increasing the net metering system cap from 2 megawatts to 5 megawatts is especially concerning when coupled with Maryland regulations on virtual meter aggregation and community solar. Since local governments can participate in meter aggregation, this could result in large electric customers offsetting their entire energy usage with offsite utility scale solar facilities. These larger systems could be used to directly offset energy usage from customers located anywhere in our service territory.
- By allowing significantly larger, new, wholesale-scale generators to qualify for net metering, SB 508 would amplify the existing issue of cross subsidizing distribution charges.
 - Net energy metered customers would not be paying all costs associated with their utilization of the distribution infrastructure needed to serve them. This would leave those costs to be subsidized by all other ratepayers.
- SB 508 does not provide the opportunity for utility ownership of solar, community solar, biomass, micro combined heat and power, fuel cell, wind, or closed conduit hydro electric generating facilities.
 - If the goal of the bill is to provide Maryland customers with additional opportunities for solar generation and the like, the utilities should have the opportunity to own solar generation (utility scale or community solar gardens) as it is the most cost-effective way to provide solar to customers.

- SB 508 will likely result in an increased number of accounts in which net energy metering applies. The impacts to Potomac Edison's processes (i.e. billing) would be significant.
 - If the bill results in an increased number of accounts in which net energy metering applies, the utilities should be given the opportunity to recover incurred costs associated with the increase in net energy metering. These costs would need timely recovery.

For the above reasons, Potomac Edison respectfully request an **Unfavorable** vote on Senate Bill 508.

SB0508 (HB0584) - LOI.pdf

Uploaded by: Fahrig, Landon

Position: INFO



TO: Members, Senate Finance Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: SB0508 (HB0584) – Public Utilities - Net Energy Metering
DATE: February 16, 2021

MEA Position: Letter of Information

Senate Bill 508 seeks to significantly expand the net metering cap for individual installations. The cap limits the size of a distributed energy resource (typically solar) project, and the number of projects that can be co-located on adjacent parcels of government-owned land.

MEA notes that expanding aggregate net metering to include state governments, in addition to municipalities, nonprofits, and agricultural entities could also help spur development, and that focusing on developed sites, landfills, and brownfields, as championed by the Governor's REDS Task Force, will allow meaningful growth for solar generation in Maryland while preserving open land.

There is significant potential to mobilize underutilized properties owned by local governments or their instrumentalities. Focusing on parking lots, landfills, brownfields, and other degraded lands would be even more desirable. As it stands, Maryland has over 60 closed and capped waste receiving sites. While only a fraction of these sites will be suitable for solar installations, this still provides a sound array of host sites for solar energy projects. Additional opportunities exist on large parking lots such as park and rides and at community colleges and universities. Focusing on these sites will limit impacts on greenfields, open space, and undeveloped sites.

Expanding the site cap does raise potential issues. Under Public Utilities Article § 7–306, solar projects are limited to two megawatts and a Certificate of Public Convenience and Necessity (CPCN) is not required. SB 508 would permit projects to exceed this limit under certain circumstances and permit the co-location of projects on adjacent parcels of land. However, the bill is silent as to the applicability of the CPCN process for these projects. There is also a cross-subsidization concern. Net metering can result in some electricity distribution costs being socialized among the ratepayers. Finally, this bill may accelerate the fulfillment of the State's overall net metering capacity limit, reducing the time remaining before that limit is met.

MEA urges the Committee to take this information under advisement when rendering its report for Senate Bill 508.

2021 Testimony- SB508 Electricity Net Energy Mete

Uploaded by: Lanzarotto, Kathryn

Position: INFO



An Exelon Company



An Exelon Company

February 16, 2021

112 West Street
Annapolis, MD 21401
410-269-7115

Informational – Senate Bill 508
SB 508 – Public Utilities – Net Energy Metering

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) offer the following information on **Senate Bill 508 Electricity – Net Energy Metering**. Senate Bill 508 changes the limit on net energy metering projects from 2 megawatts to 5 megawatts and removes any limitation for multiple net metered facilities located on contiguous lots owned by a local government.

Pepco and Delmarva Power support clean energy policies and the State's goals of reducing greenhouse gas emissions and advancing clean energy technologies, like distributed solar. Maryland's existing net energy metering project size limit is 2 MWs. Senate Bill 508 would increase that limit to 5 megawatts and effectively remove any limitation for facilities sited on local government-owned contiguous lots.

The project size limitation was imposed in the net metering construct in order to enable as many customers as possible to be able utilize net metering. A project size limit mitigates the impact of a larger facility absorbing a disproportionate amount of net metering availability.

Large project sizes can also impact the ability of other customers to adopt solar and utilize net metering. This can happen on a feeder with limited capacity—in that event, a large project can absorb the entirety of the remaining feeder space, locking that feeder out for use by other facilities. If a feeder is locked out (it has reached its capacity), the next project that comes along is financially responsible for any upgrades required to expand feeder capacity. While this is not a common occurrence in Pepco and Delmarva Power's service territories, it is a circumstance we've seen in Atlantic City Electric in NJ, one of the Pepco Holdings companies.

One way to mitigate large project size impact is to right size systems so that they offset only the peak load of the site on which the project is located. Under current regulations, customers can oversize their systems up to 200% of peak load and still take advantage of Maryland's generous net energy metering provisions. Limiting net energy metering to 100% of peak load at a site would also help to mitigate large projects absorbing feeder availability and ensure more customers can take advantage of net energy metering.

Finally, while net metering may help to encourage solar build out, it is also a policy that shifts costs among customers. That is, customers who can afford to install solar on their homes or have suitable homes for solar installation, receive an additional revenue stream through net energy metering that is paid for by all customers, including low income customers and those customers who rent or otherwise are unable to take advantage of the net energy metering rules in Maryland.

Contact:

Katie Lanzarotto

Senior Legislative Specialist

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Ivan K. Lanier

State Affairs Manager

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SB508 CHESSA INFO.pdf

Uploaded by: Murray, David

Position: INFO



**Before the General Assembly of the State of Maryland
Senate Finance Committee
February 16, 2021**

**Testimony of David W. Murray
Executive Director
Chesapeake Solar & Storage Association
SB 508 : Electric – Net Energy Metering – Limit
INFORMATIONAL**

Thank you for the opportunity to provide testimony on [SB 508](#). I serve as Executive Director of the Chesapeake Solar & Storage Association, CHESSA, formerly known as the Maryland-DC-Virginia Solar Energy Industries Association (MDV-SEIA). CHESSA is a regional trade association representing over 10,000 solar installers, developers, manufacturers, and other solar workers in Maryland, Virginia and the District of Columbia. Our members also provide energy storage solutions to households, businesses, schools, local governments, and utilities throughout the region. CHESSA is a recognized state affiliate of the Solar Energy Industries Association.

CHESSA recommends a favorable vote on SB 508 conditioned upon the passage of SB407 (Kramer) / HB569 (Clippinger). In the event the General Assembly does not pass SB407/HB569, SB 508 would have implications for different segments of the solar industry. Thus the Chesapeake Solar & Storage Association is providing informational testimony to this legislation.

SB 508 makes a significant change to the state's net energy metering policy. Net metering allows for energy systems - like solar arrays - to export excess electricity to the grid and receive retail compensation for the power. This policy is critical to distributed solar deployment, and [meta-studies of the policy](#) demonstrate that net benefits accrue to all ratepayers, in the form of grid and environmental benefits. It is worth noting other technologies – such as distributed wind, combined heat and power, biomass and fuel cells – also use net metering. However, over 99% of Maryland's net metered systems are solar generators.

The total number of energy projects that can receive full retail net energy metering is capped. In other words, there is a statutory limit on the total capacity of solar projects that will receive full retail compensation for exporting excess energy. The General Assembly may elect to raise this cap - which is currently at 1,500 megawatts - as Senator Kramer and Delegate Clippinger have proposed in SB 407 and HB 469.

According to the Maryland Public Service Commission's latest Net Metering [report](#), there is approximately 850 megawatts of installed net metered capacity. However, with the commercial solar and residential solar industries poised for growth, and approximately 390 MW of new community solar yet to be constructed, there is competition within the solar industry to install projects before the limit is reached.

SB 508 expands projects eligible for net metering in two ways. First, it raises the maximum size by which a project can receive full retail compensation for exporting power back to the electricity grid. This would expand opportunities for commercial, industrial and municipal



customers. Second, SB 508 broadens restrictions on co-locating solar projects for county or municipal projects. Thus, public entities could receive power from larger solar energy projects built offsite. These two measures would increase further deployment of solar power, helping the state reach its 14.5% solar carveout goal set in the Maryland Clean Energy Jobs Act.

As this broadens the market for new solar projects, members that develop commercial, industrial, and municipal projects are in strong support of SB 508. In recent years, the state's C&I solar market has been slower compared to states in the northeast, as a result of more competitive electric rates and lower incentives. Thus, expanding the net metering cap would spur project development in a relatively untapped market in Maryland.

On the other hand, firms that develop smaller projects - such as residential rooftop installers - are concerned this policy would enable larger projects to quickly take up the remaining capacity in the state's net metering cap. A five megawatt industrial project takes up the equivalent of 500 Maryland households going solar - approximately the number of installations that take place statewide in a month.

Thank you for your consideration. We hope the General Assembly will pass SB 407 and HB 469, and subsequently give SB 508 a favorable vote.

Sincerely,

David Murray
Executive Director
Chesapeake Solar & Storage Association (CHESSA, formerly MDV-SEIA)

SB0508_Information_Stanek.pdf

Uploaded by: Stanek, Jason

Position: INFO



JASON M. STANEK
CHAIRMAN

MICHAEL T. RICHARD
ANTHONY J. O'DONNELL
ODOGWU OBI LINTON
MINDY L. HERMAN

PUBLIC SERVICE COMMISSION

February 16, 2021

Chair Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

RE: SB0508 – INFORMATION – Public Utilities – Net Energy Metering

Dear Chair Kelley and Committee Members:

I have reviewed Senate Bill 508 and provide the information below for the Committee's consideration. SB 508 increases the eligibility cap from 2 megawatts (MW) to 5 MW for purposes of net metering. The bill also allows for local governments to build solar projects on contiguous lots and remain eligible for net metering even if the total capacity of the adjacent projects exceeds 5 MW.

The Commission requires electric utilities to offer net energy metering for eligible customers and reports to the General Assembly annually on the status of the net metering program. As of June 30, 2020, the level of installed capacity in the state was 846 MW, which is more than halfway towards the statewide cap of 1,500 MW. The Commission estimates that the cap may be reached in 2024 or 2025 if the current rates of installation continue. Of course, allowing larger solar facilities to participate in net metering will result in the statewide cap being reached sooner.

SB 508 would require the Commission to undertake a rulemaking to bring the existing regulations into compliance with the changes proposed in this bill. At a minimum, this will take several months to accomplish. The draft legislation would also require electric utilities to file new tariffs to comply with the proposed changes.

Thank you for your consideration of this information. Please contact the Commission's Director of Legislative Affairs, Lisa Smith, at (410) 336-6288 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason M. Stanek".

Jason M. Stanek
Chairman