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PUBLIC SERVICE COMMISSION

February 2, 2021

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

RE: SB 407 – INFORMATION – Electricity – Net Energy Metering – Limit

Dear Chair Kelley and Committee Members:

I have reviewed Senate Bill 407 and provide the information below for the Committee's consideration. Senate Bill 407 increases the net energy metering cap from 1,500 megawatts to 3,000 MW. The Maryland Public Service 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.¹ As of June 30, 2020, the level of installed capacity in the State was over half of the eligible cap at 846 MW. The existing cap may be reached in 2024 or 2025, if current rates of installation continue.

Maryland is one of 40 states and the District of Columbia that have mandatory net metering rules. While there are many options being explored across the country related to net metering and net metering alternatives, increasing the eligibility cap is one way of ensuring the net metering program continues to offer opportunities for new projects that contribute to the State's renewable energy goals.

Thank you for your consideration of this information. Please contact my Director of Legislative Affairs, Lisa Smith, at 410-336-6288 if you have any questions.

Sincerely,

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

Jason M. Stanek
Chairman

¹ Maryland Public Service Commission, "Report on the Status of Net Energy Metering in the State of Maryland" (November 2020) at <<https://www.psc.state.md.us/wp-content/uploads/2020-Net-Metering-Report.pdf>>.