



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 to the right.

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