

Before the General Assembly of the State of Maryland House Health and Government Operations Committee February 17th, 2021

Testimony of David W. Murray
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HB 469: State-Funded Construction and Major Renovation Projects - Solar Panels
- Requirement
FAVORABLE

Thank you for the opportunity to provide testimony on HB 469. My name is David Murray and I serve as Executive Director of MDV-SEIA, the local solar trade association representing over 4,500 solar installers, developers, manufacturers, and other solar workers in Maryland.

MDV-SEIA appreciates Delegate Forbes and Senator West's leadership and strongly supports the HB 469, which would require new and renovated public buildings to contain solar arrays. The requirement will accomplish five key priorities of the state, described below:

Lower the Cost of Rooftop Solar: Adding solar panels to a new or renovated building is significantly cheaper than deploying the array on an existing structure. First, the array is factored into the construction process, removing inefficiencies in the installation and speeding up the process. Second, as the solar installation is now a public requirement, customer acquisition costs – which are a major cost to the industry - are removed from the equation. Third, if a company is awarded the opportunity to install multiple arrays under one RFP, they will pass on savings to the customer, which in this case in the state of Maryland. Fourth, creating a blueprint for solar-ready schools that can be used across Maryland will standardize design and installation, driving down cost. Thus, the solar systems installed by this legislation will be installed at a significantly cheaper price than other arrays.

Yield Savings to the State: As more rooftop solar energy is deployed on public buildings, the state will benefit from cheaper electricity costs over a generation. Typically, public entities use power purchase agreements (PPAs) to install solar, which

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enable deployment at little to no upfront cost and result in cost savings over time. This means cheaper energy for Maryland schools, agencies, hospitals and universities. For example, the 2017 400kW solar installation for the Salisbury School expects to save the district \$23,000 each year in electricity costs. A 2016 Solar Foundation report, Brighter Maryland, found that 1,867 public and private K-12 schools in the state could costeffectively deploy solar energy systems and could produce electricity valued at \$18.3 million per year, equivalent to 421 annual teacher salaries.

Setting Green Norms: HB 469 "normalizes" solar on rooftops, thereby making local, renewable energy an expectation for new households and businesses across the state. It's imperative that the state integrate sustainability in order to meet the aggressive 14.5% solar carveout target, and HB 469 is a cost-effective way that reduces the need for solar on existing greenfield properties.

Meet Climate Goals: The state set a target to meet 14.5% of its electricity needs with solar power by 2030, but at current rates will not achieve it. Necessary levels of growth require sustainable development and integration into new projects; piecemeal private developments cannot get us across the finish line on their own. Under the Built to Learn Act the state will issue \$2.2 billion in bonds to pay for public school construction, making it the state's main construction project in the coming years. This is the perfect opportunity to both meet the state's goals, improve the quality of public education and save taxpayer dollars.

Catching Up: In passing HB 469, Maryland would be catching up with states across the country that are already saving millions using solar on public buildings. Beltsville School District in Arkansas recovered from a \$250,000 deficit in 2017 and is now experiencing a \$1.8 million surplus from installing solar on their six public schools. The district installed 1,400 panels and is now using the surplus to increase teacher salaries. Placer County in California entered a similar agreement with Engie in 2021. The \$275,000 agreement put panels on 6 county buildings, saving the county an estimated \$5 million over the next 20 years. Isle of Wight County in Virginia is also following suit: the county just signed a PPA agreement with Sigora Solar to bring 4,252-megawatt-hours of solar to the district's 7 schools. In each case, the school districts rave about the impending cost savings, and unlike the fiscal note for bill HB 469, name cost savings as a major benefit of the transition.

Increasing Equity: the trend is clear: solar saves taxpayer dollars over time. These saved funds give school districts, especially less advantaged districts, more money to improve the student experience. Sizeable funds saved by converting to solar could be repurposed to increase equity in Maryland Public Schools, helping to close the student performance gap.

Thank you for your consideration.

Sincerely,

David Murray

Executive Director

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Chesapeake Solar & Storage Association (formerly MDV-SEIA)