

<u>SUPPORT</u> Senate Bill 110 Electricity – Community Solar Energy Generating Systems – Generating Capacity

Finance Committee February 1, 2022

Honorable Delores Kelley Chair, Finance Committee 3 East Miller Senate Office Building Annapolis, Maryland 21401

Chair Kelley, Vice-Chair Feldman, and members of the Committee,

On behalf of the Chesapeake Energy Storage and Solar Association (CHESSA), thank you for the opportunity to issue our **SUPPORT** of **Senate Bill 110**, increasing community solar generating capacity from 2 MW to 5 MW. Community solar projects are typically within a geographic area in which the benefits of a solar project flow to multiple customers such as individuals, businesses, nonprofits, and other groups that receive credit on their electric bills for the energy produced by the project. One of the benefits of community solar is that it empowers local communities to take ownership of projects and play a direct role in addressing climate change by reducing dependence on fossil fuels.

Raising the community solar generating capacity from 2 MW to 5 MW is critical for several reasons. First, Community Solar among our east coast neighbors like New Jersey, New York, Massachusetts, and Maine is currently defined as up to 5 MW. For Maryland to remain competitive in attracting development of these projects, it is important we are on par with our region. Second, this would merely empower our local communities with the same benefit we afford our local governments. Last session, Chapter 625 (Senate Bill 508) authorized local governments to enter into community solar agreements up to 5 MW as long as the local government was the customer. Third, community solar projects of 2 MW are relatively small and expensive. Increasing the capacity to 5 MW will allow developers to use efficiencies of scale to reduce per megawatt costs. Those savings are passed on to ratepayers in the form of lower electricity costs.

On behalf of CHESSA, thank you for your support of Maryland's solar industry and urge of favorable report on Senate Bill 110.

Submitted by: Isaac Meyer, Compass Government Relations Partners on behalf of CHESSA