

# **SB110-Community Solar Capacity Increase-Finance-CJ**

Uploaded by: Diana Younts

Position: FAV



**Committee: Finance**

**Testimony on: SB110 - Electricity - Community Solar Energy Generation Systems- Generating Capacity**

**Organization: Climate Justice Wing of the Maryland Legislative Coalition**

**Submitting: Diana Younts, Co-Chair**

**Position: Favorable**

**Hearing Date: February 1, 2022**

Dear M. Chair and Committee Members:

Thank you for allowing our testimony today in support of SB110. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorably on SB110.

Community solar projects are a critical component to meeting Maryland's climate goals and targets because they provide renewable energy to families and building owners that cannot otherwise install or afford solar energy and because such projects increase the amount of clean, renewable energy on the grid. This bill would more than double the allowable generating capacity of community solar projects by increasing the current cap from 2 megawatts to 5 megawatts.

Anyone who receives an electric bill can benefit from community solar including renters, residents in multi-unit buildings, municipalities, nonprofits and businesses that don't own their roofs. Community solar succeeds in delivering clean, renewable energy and typically does so at costs less than standard offer service rates.

Further, many community solar projects are designed for low and moderate income households and deliver the energy at rates 20 - 25% below utilities standard offer rates. Thus, community solar is a significant aspect of energy justice for these families.

Energy is also a substantial cost for building owners and managers, so the availability of low cost community solar is an important means of preserving affordable housing.

In short, increasing the generating capacity of community solar projects is good for the environment and good for families.

For these reasons, we urge a favorable report for SB110.

## **MLC Climate Justice Wing:**

Assateague Coastal Trust  
Maryland Legislative Coalition  
MD Campaign for Environmental Human Rights  
Chesapeake Climate Action Network  
WISE  
Frack Free Frostburg  
Mountain Maryland Movement  
Clean Water Action  
Howard County Indivisible  
Howard County Sierra Club  
Columbia Association Climate Change and Sustainability Advisory Committee  
HoCo Climate Action  
CHEER  
Climate XChange - Maryland  
Mid-Atlantic Field Representative/  
National Parks Conservation Association  
350 Montgomery County  
Glen Echo Heights Mobilization  
The Climate Mobilization Montgomery County  
Montgomery County Faith Alliance for Climate Solutions  
Montgomery Countryside Alliance  
Takoma Park Mobilization Environment Committee  
Audubon Naturalist Society  
Cedar Lane Unitarian Universalist Church  
Environmental Justice Ministry  
Coalition For Smarter Growth  
DoTheMostGood Montgomery County  
MCPS Clean Energy Campaign  
MoCo DCC  
Potomac Conservancy  
Casa de Maryland

Nuclear Information & Resource Service  
Clean Air Prince Georges  
Laurel Resist  
Greenbelt Climate Action Network  
Maryland League of Conservation Voters  
Unitarian Universalist Legislative  
Ministry of Maryland  
Concerned Citizens Against Industrial CAFOs  
Wicomico NAACP  
Chesapeake Physicians for Social Responsibility  
Chispa MD  
Climate Law & Policy Project  
Maryland Poor People's Campaign  
Labor Network for Sustainability  
The Nature Conservancy  
Clean Air Prince Georges  
350 Baltimore  
Maryland Environmental Health Network  
Climate Stewards of Greater Annapolis  
Talbot Rising  
Adat Shalom Climate Action  
Mid-Atlantic Earth Holders  
Climate Parents of Prince Georges  
Echotopia  
Maryland NAACP State Conference,  
Environmental Justice Committee

# **SB 110 Community Solar SUPPORT.pdf**

Uploaded by: Doug Myers

Position: FAV



# CHESAPEAKE BAY FOUNDATION

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*Environmental Protection and Restoration  
Environmental Education*

## **Senate Bill 110**

Electricity – Community Solar Energy Generating Systems – Generating Capacity

Date: February 1, 2022

Position: **Support**

To: Education, Health and Environmental Affairs

From: Doug Myers, Maryland Senior Scientist

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Chesapeake Bay Foundation (CBF) **SUPPORTS** SB110 which raises the capacity of community solar definition from 2 to 5 Megawatts. This policy change should increase general support for community solar by raising the cap of total electricity generating capacity that can come from these installations.

Community Solar Energy Generating Systems are designed to encourage neighborhood-scale adoption of solar energy in a distributed fashion rather than utility-scale facilities. Solar power, like other electricity generating systems, is most efficient and loses less energy when generated close to where it will be used. The U.S. Energy Information Administration (EIA) estimates that electricity transmission and distribution (T&D) losses equaled about 5% of the electricity transmitted and distributed in the United States in 2016 through 2020.<sup>1</sup>

Community Solar Generating Systems usually consist of solar panels affixed to rooftops for residential and small-scale commercial buildings where the bulk of the generated electricity will be used. This lessens the energy bills of that home or business and generally supports the grid when excess energy is generated. This prevents the need for new power plant construction and the additional work to subsequently reduce their associated greenhouse gas emissions.

As the demand for solar energy increases, large utility scale operations are being proposed that threaten farmland and forests. Clearing forests to install panels and transmission infrastructure could have significant negative impacts on local streams. For this reason, raising the cap on community solar systems will help meet Maryland's greenhouse gas reduction goals while protecting our forests, farmland and streams.

**CBF urges the Committee's FAVORABLE report on SB 110.** For more information, please contact Robin Clark, Maryland Staff Attorney at [rclark@cbf.org](mailto:rclark@cbf.org) and 443.995.8753.

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<sup>1</sup> [How much electricity is lost in electricity transmission and distribution in the United States?](#), US Energy Information Administration, last updated: November 4, 2021.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403  
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**SB110\_Nexamp\_FAV.pdf**

Uploaded by: Jake Springer

Position: FAV

**Testimony of  
Jake Springer  
Nexamp**

**Submitted to the  
MARYLAND GENERAL ASSEMBLY  
Senate Finance Committee  
SB 110 - Electricity - Community Solar Energy Generating Systems - Generating Capacity  
February 1, 2022**

Thank you for the opportunity to submit written testimony for the Committee's consideration of SB 110. Nexamp strongly supports this bill, which would increase the allowable size of community solar projects from 2 MW to 5 MW. We greatly appreciate Senator Kramer's leadership on this and other issues related to community solar here in Maryland. Our company has been an active participant in the Community Solar Pilot Program since 2017. We built the Program's first LMI project, located in Queen Anne's County, serving 51% low and moderate income customers. At this moment, we have 4 projects totaling almost 8 MW in the construction phase, with many more projects in the pipeline behind those.

Nexamp was founded over a decade ago, and since that time has grown from a small residential solar installer to a fully integrated clean energy company and one of the leading providers of community solar nationwide. The growth and success of our program can be attributed to our fair and equitable subscription program. Our program was designed to ensure that everyone – regardless of income, credit history, roof space or geographic location – can participate in community solar. We do not run credit checks on prospective customers, there is no cost to join our program and no penalty for leaving the program (we ask for 90 days' notice), and we offer a stable, guaranteed discount of at least 10% against the customers' standard electricity rates. Even as rates change over time, our customers are guaranteed the same fixed discount for as long as they choose to participate in one of our community solar farms.

We are proud of the program we have built and the access to clean, renewable energy that it has afforded residents, small businesses, non-profits and others. We have developed projects with reserved offtake for low and moderate income customers in Illinois, New Jersey, New York, and here in Maryland; and we are actively working to see community solar, and LMI access in particular, succeed in Maryland.

Maryland was a leader nationwide when the Community Solar Pilot Program launched in 2017, and numerous other states have since followed suit. As those other state programs have launched, and even expanded further, one thing that we have seen is a consistently larger allowable project size than Maryland's, with 5 MW becoming the norm and 2 MW representing an outlier nationwide. From an investment perspective, this puts Maryland at a disadvantage relative to other states with community solar. SB 110 would take a lesson learned from elsewhere this time around, and bring Maryland's program in line with community solar across the country.

Increasing the cap on project size allows for greater economic efficiency, expands the number of subscribers served, and offers the potential to deliver increased savings to subscribers and to achieve

the state’s ambitious energy goals more quickly. Much of the cost associated with the development of a project—locating a suitable site, initial design of the project, permitting of the project, and some of the costs of interconnecting to the grid—as well as the costs of financing it are likely to be largely the same on a 2 MW project as a 5 MW. The increased size in that sense allows for greater efficiency, spreading out the “soft costs” of project development across a larger project. In turn, these larger projects will be able to support more subscribers, increasing access to community solar in the communities where these projects would be located.

Some may argue that an increase in project sizes will allow for community solar projects to have a larger footprint than is currently allowed today. While true, this should be put in context. In Nexamp’s experience, our baseline expectation for a 2 MW project’s footprint has declined by over 20%, from just over 18 acres to 14 acres today. As solar technology continues to improve, we expect this trend to continue. To put it simply, the land used for a 5 MW project is smaller today than it was in 2017 and will continue to shrink in future years.

When put in context of the state’s overall goals for renewable energy and solar energy in particular, this change is also important. It will allow for community solar to more quickly make up the ground on those targets and increase the stake of Maryland’s most vulnerable residents in the process.

We urge you to support SB 110, and to support local solar development. Thank you for your consideration.

Respectfully,

Jake Springer  
Senior Policy Associate  
Nexamp  
[jspringer@nexamp.com](mailto:jspringer@nexamp.com)



**Letter Of Support SB 0110.pdf**

Uploaded by: Jeffrey Estepp

Position: FAV



January 27, 2022

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

**SUBJECT: Senate Bill 0110**

Dear Chair Kelley, Vice Chair Feldman, Committee Members, and Senators:

Please consider this written testimony in support of community solar legislation that would increase system size limits from 2MW to 5MW in Maryland.

The primary purpose of community solar, which was passed into law in 2015 by the General Assembly, is to allow members of a community the opportunity to share the benefits of solar power even if they cannot install solar panels on their property. They can join together and buy power from clean energy and reduce their energy prices.

I believe community solar programs are vital to the long term environmental and economic growth in the state. In addition to generating needed tax revenue for Maryland we can be at the forefront of sustainable green energy producing projects.

Thank you in advance for considering this important proposal to continue Maryland's path towards a renewable energy future.

Sincerely Yours,

A handwritten signature in black ink, appearing to read 'JHE 2/11'.

Jeffrey H. Estopp  
President,  
JHE Community Consulting LLC

# **SB110 CS expansion to 5MW Finance Committee Testim**

Uploaded by: John Finnerty

Position: FAV



## Favorable

**February 1, 2022**

**Senate Finance Committee**

**Electricity - Community Solar Energy Generating Systems - Generating Capacity (SB 110)**

Madam Chairwoman and Members of the Committee:

Thank you for the opportunity to provide testimony on SB110/HB0440. My name is John Finnerty, I am a Business Development Director at Rockville based Standard Solar Inc. Standard Solar has grown to be leading national financier and developer of distributed generation (DG) and small utility-scale solar projects. During my dozen plus years at Standard Solar I have served six years on the board of directors of Maryland-Virginia-DC Solar Energy Industries Association (MDVSEIA) now CHESSA, and was honored to serve on Governor Hogan's 2019 Renewable Energy Development and Siting Task Force (REDS).

I am here today in support of SB110, expanding community solar project cap to 5MW. This builds on the success of the CS Pilot program, it facilitates additional subscribers and it would raise Maryland to match the same 5MW project cap in many surrounding states.

The Community solar pilot program is successful public policy. The results today and in future are transparent, measurable and effective for statewide economic growth. At Standard we have seen firsthand the positive benefits that CS projects bring to individuals, businesses, and communities.

Our community solar projects to date are serving about 3,000 Maryland households including over 400 LMI subscribers. The projects span statewide in all three Exelon service territories and Potomac Edison. Additional Maryland households and businesses will benefit with the passage of SB110.

In summary we see passage of SB110 will deliver the following benefits to Maryland and its citizens including:

- Advances MD CEJA goals of 14.5% solar by 2030
- Opens more access to Marylanders to participate in solar generation savings that may not have space at their home or facilities for onsite solar
- Projects will have the potential to better utilize brownfield acreage and open parking lots
- Overall cost efficiency of utility interconnections will be improved
- Generate additional bankable long-rent revenue to host property owners
- Continues Maryland energy and technology leadership
- Continues and expands direct investment and jobs growth in Maryland



Standard Solar is active nationally with community solar programs and has co-developed, funded and operates over 120MW of projects in Colorado, Minnesota, Illinois, Massachusetts, Maine, DC and New York. The Community Solar Pilot results in Maryland mirror the success in many states. The programs have seen rapid acceptance from ratepayers with available project subscriptions selling out quickly and often while designated projects are still in construction.

Community solar is one segment of the solar generation mix in Maryland, including residential, C&I, municipal, and utility scale. It continues to deliver smart value, savings, investment, and revenue to the Maryland economy.

I urge the Committee to support a Favorable vote on SB110.

Thank you,

John Finnerty  
Standard Solar, Inc.  
240-479-1519  
John.finnerty@standardsolar.com

**SB110\_MDSierraClub\_fav 1Feb2022.pdf**

Uploaded by: Josh Tulkin

Position: FAV



P.O. Box 278  
Riverdale, MD 20738

**Committee: Finance**

**Testimony on: SB110 “Electricity - Community Solar Energy Generating Systems - Generating Capacity”**

**Position: Support**

**Hearing Date: February 1, 2022**

The Maryland Chapter of the Sierra Club submits this testimony in support of SB110, which will increase the maximum generating capacity of a solar energy generating system under the state’s legislatively established Community Solar Pilot Program from 2 megawatts to 5 megawatts. We strongly support this legislation, which will increase the benefits from our state’s Community Solar program.

- **Maryland needs to accelerate its solar energy development.** The 2019 Clean Energy Jobs Act established an essential but ambitious target for solar energy growth in the state: 14.5 percent of total electricity consumption is to come from in-state solar by 2030. Even with no increase in that consumption – a conservative assumption considering expected increases in electrification of vehicles, buildings, and other sectors – the capacity required to achieve this target is approximately 4,570 megawatts (MW) of solar. As of September 2021, the Solar Energy Industry Association identifies the total of all solar installed in Maryland – including residential, commercial, utility-scale, and Community Solar – to be 1,396.5 MW.<sup>1</sup> This means that during the next 9 years, we need to build almost 3,200 MW of new solar – an average of more than 350 MW per year. This is more than we have ever built.
- **Community Solar can provide solar power to those who cannot have rooftop solar.** An estimated roughly three-quarters of Maryland households cannot have solar on their own roof, for multiple reasons: they are renting their home, live in apartments, have roofs that are unsuitable for solar, have too much shade, or cannot afford it. The legislature’s establishment of the Community Solar Pilot Program is intended to find approaches that can effectively bring locally produced electricity from clean, renewable solar generation at low cost to households in this majority segment of our residents. In doing so, Community Solar can potentially play an important role in expanding solar.
- **Expanding project capacity to 5 MW is consistent with practice in other states.** Community Solar programs like Maryland’s Pilot Program are currently operational in 21 states through third-party solar developers (larger programs implemented by utilities themselves exist in additional states).<sup>2</sup> Of these 21 states, all but Maryland and Delaware set Community Solar project capacity limits at 5 MW or greater.

While a 5 MW project is small by solar industry standards, it still offers substantial advantages to Community Solar programs. The larger size allows for greater economies of

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<sup>1</sup> Maryland Solar Factsheet – <https://www.seia.org/state-solar-policy/maryland-solar>

<sup>2</sup> Coalition for Community Solar Access

scale, both in terms of solar array construction and ancillary costs like inverters, interconnection, and maintenance. These savings can be passed on to consumers, allowing for lower energy costs. This is especially important for projects serving low- and moderate-income (LMI) households.

- **Larger projects can have less land-use impact than smaller projects.** The Pilot Program is seeking to achieve its purpose through multiple approaches, including finding viable ways to build Community Solar on commercial rooftops and parking lots, on disturbed land (landfills and brownfields), and in other ways that are technically and financially feasible. However, a certain amount of solar energy development, including Community Solar, needs to be built on open land, including some agricultural land. The Governor’s Task Force on Renewable Energy Siting acknowledged this reality and estimated that between 0.4% and 1.7% of agricultural land that would be needed to meet the state’s overall solar targets.<sup>3</sup>

In addition to the space needed for solar panels themselves, ground-based solar projects require space for ancillary equipment, access roads, and buffer zones. The total space required for a single 5 MW project is less than what would be required for the same amount of solar capacity from two and a half 2 MW projects.

This larger size of 5 MW projects also promotes “agrivoltaic” practices that combine solar generation with productive agricultural practices. Agrivoltaics makes solar projects more expensive, so the economies of scale associated with 5 MW projects will facilitate these emerging practices and their evaluation here in Maryland. This is another learning – especially for our agricultural community – that needs to come from the Pilot Program.

- **Evaluating the benefit of 5 MW projects under the Pilot Program requires action now.** The final allocation of Pilot Program project capacity will happen in July 2023. Development of new projects at 5 MW capacity will require lead time. In addition, processing of these project applications is likely to take longer, because projects larger than 2 MW will need to undergo the additional step of a Certificate of Public Convenience and Necessity review by the Public Service Commission. Therefore, if the Pilot Program is to successfully evaluate the effects of any such larger projects, this legislative session is effectively the last opportunity to make that happen.

In summary, the Sierra Club believes that allowing the development of 5 MW Community Solar projects is an important action to take now, in the context of the legislatively established Pilot Program. Doing so will allow us to evaluate this potentially important option, which has proven effective in other states. The possibilities of achieving greater savings to customers, making more efficient use of available sites, and supporting the acceleration of solar development that Maryland urgently needs to reach its own targets make this a significant step. For these reasons, we urge a favorable report on SB110.

Alfred Bartlett, M.D.  
Energy Committee Policy Advisor  
[AlfredBartlett@msn.com](mailto:AlfredBartlett@msn.com)

Josh Tulkin  
Chapter Director  
[Josh.Tulkin@MDSierra.org](mailto:Josh.Tulkin@MDSierra.org)

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<sup>3</sup> Governor’s Task Force on Renewable Energy Development and Siting, Final Report; August 14, 2020



# **SB0110 Favorable Testimony CCSA.pdf**

Uploaded by: Leslie Elder

Position: FAV



Before the General Assembly of the State of Maryland

Senate Finance Committee  
February 1, 2022

Testimony of Leslie Ann Elder  
Mid-Atlantic Regional Director  
Coalition for Community Solar Access

**SB0110: "Electricity - Community Solar Energy Generating Systems - Generating Capacity"**  
**FAVORABLE**

Thank you for the opportunity to provide testimony on Community Solar Energy Generating Systems (CSEGS) Generating Capacity. The Coalition for Community Solar Access (CCSA) submits testimony in strong support of Vice Chair Feldman's SB0110.

CCSA is a national coalition of businesses and nonprofits working together to implement best practices for all community solar markets. Our mission is to empower all Maryland households and businesses that seek home grown energy sources through community solar. We work with customers, utilities, local stakeholders, allies and policymakers to develop and implement best practices that ensure community solar programs provide a win-win-win solution. Our members are solar industry leaders and are engaged at every step of development, ensuring these best practices are not theoretical but are applied and practiced. We represent over 80 member companies, some who are headquartered in Maryland and others who are investing here.

CCSA and our members are active participants in the community solar pilot program (CSEGs) and are thankful for the opportunity to use the few remaining years of the pilot program to test out solutions to achieve the policy objectives of the state and local jurisdictions. SB0110 proposes to make a small change to the pilot program to bring best practices from the other states and provide a pathway to achieve several policy objectives for the state's renewable portfolio standards, access to clean energy to all, and increase cost efficiencies for the program and Maryland consumers.

[The Department of Energy has committed to power 5 million households with community solar by 2025.](#) Community solar is a fast-growing solar segment and is touted as the way for policy makers to ensure solar generation is accessible for all. According to the latest [Solar Insight Report by Wood Mackenzie](#), there are 3,400 megawatts (MW) of installed community solar in the United States, which is enough to power 600,000 households. The US Department of Energy's Community Solar goal of 8,3000 MW is an increase of more than 700% over the next four years. Currently, [there are 21 states](#) who have a community solar program and several states are moving quickly to advance legislation. Maryland was one of the earliest leaders in community solar with the passage of the pilot program ([HB1087 in 2015](#)) but has fallen behind as more and more states have adopted community solar. Senator Kramer's SB0110 is a common sense approach and a simple solution to create a more cost effective program that will drive many of Maryland's policy goals.



Today, only a fraction of Maryland households, approximately 25%, can access solar energy due to common limiting factors that include home or business ownership, the proper load bearing roof and sun orientation, or financial barriers. Community solar allows anyone who pays an electric bill the opportunity to lower their energy burdens and receive all of the benefits for producing solar energy for their generation source. United States Department of Energy Secretary Jennifer M. Granholm stated “achieving these ambitious targets will lead to meaningful cost savings, create jobs in communities, and make our clean energy transition more equitable.”

Senator Kramer’s SB0110 will:

- **Help Maryland achieve the 14.5% renewable generation goal by 2030 and ensure every consumer has access to participate.** Currently, the state is significantly behind the policy goals of the [Clean Energy Jobs Act of 2019](#) and the expansion of the community solar pilot program ([SB520 of 2019](#)). Due to the length of the pilot program, many other states have since surpassed Maryland in community solar development and serving low-to-moderate income residents by taking advantage of economies of scale. This change is critical in generating market excitement rather than driving development to surrounding states, such as New York, New Jersey, Pennsylvania, and Virginia.
- **Implement best practices from other successful community solar markets in the country.** Best practices show 5MW is the sweet spot project size to ensure community solar remains a distributed resource with the opportunity to absorb the higher costs of development, which are often needed this late into market establishment. According to the [Solar Insight Report](#), the highest year for community solar development was in 2017, right after the program opened and there was increased access to cost effective locations to connect these projects to the grid. Now in the fifth year, projects quickly become financially unfeasible based on high interconnection costs and private capital investments for grid modernization as these costs are absorbed on a per megawatt basis. SB0110 will ensure more people can access community solar, with greater cost savings for consumers, and create a cost effective solar market that will be sustainable for decades to come.
- **Allows for innovation and creative solutions prior during the final years of the pilot program.** Currently, Maryland is in the fifth year of the pilot program with the final allocation of capacity in 2023 and program closure by December 31, 2024. Permanent program design requires thoughtful and careful decisions from key decision makers and regulators on what are the best practices and lessons learned from the pilot program. The development cycle is long and making simple changes to the program, as SB0110 intends to do, there is little time to properly evaluate the effectiveness of the market mechanism before the program sunshines. The time is now to move SB0110 for proper programmatic evaluation.

Senator Kramer’s SB0110 is simple and allows for a more efficient overall allocation of investments and better utilization of grid assets. Leveraging local solar will help Maryland achieve its unique energy demands and avoid costly distribution system investments. Thank you for your time and consideration for SB0110 and CCSA hopes we can count on your support.

Respectfully,

Leslie Ann Elder, Mid-Atlantic Director  
Coalition for Community Solar Access

# Support SB 110\_CleanChoice Energy.pdf

Uploaded by: Rachel Smucker

Position: FAV



1055 Thomas Jefferson St NW #650  
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p (202) 000-0000 f (202) 000-0000  
[CleanChoiceEnergy.com](http://CleanChoiceEnergy.com)

**Committee: Senate Finance**

**Testimony on: SB 110 "Electricity - Community Solar Energy Generating Systems - Generating Capacity"**

**Position: Support**

**Hearing Date: February 1, 2022**

**Madam Chair Kelley, Vice Chair Feldman, and Members of the Senate Finance committee,**

CleanChoice Energy submits this testimony in support of SB 110, introduced by Vice Chair Feldman, which will increase the maximum generating capacity of a community solar energy generating system from 2 megawatts to 5 megawatts.

CleanChoice Energy is a mission-driven renewable energy company based in Washington, D.C. As a community solar service provider, we provide support for more than 20 megawatts of community solar projects in Maryland, benefiting over 5,000+ Maryland households annually through community solar subscriptions.

As part of Maryland's Community Solar Pilot Program, these projects enable Maryland residents to save up to 10 percent on their utility bills based on electricity generated by the projects. Additionally, the 39,000 megawatt-hours a year of energy our portfolio is expected to produce is equivalent to offsetting 30 million pounds of coal burned. These projects, located in Anne Arundel, Baltimore, Dorchester, Howard and Prince George's counties, are also pollinator-friendly solar farms, which support the landowners' habitats and pollinator populations.

As a community solar service provider, CleanChoice Energy supports increasing the project size of community solar facilities in the state's pilot program. Increasing the project size limitation of community solar facilities will allow for improved economies of scale. Through the development process, there is a cost of entry to initiate a project regardless of its capacity size. Increasing the capacity allowed for a specific project, will translate to a higher production of the system, which will reduce the unit cost of the overall project and support investment decisions to remain in the Maryland market. It will also reduce the need for the quantity of projects allowable in the program, thereby reducing the strain on available land and site origination practices.

This minor change to the community solar program will allow more efficient development in Maryland, which will aid the state in reaching its clean energy goals on a much quicker timeline.

We urge you to support SB 110.

Sincerely,

Rachel Smucker  
Mid-Atlantic Regulatory Affairs and Policy Associate  
[Rachel.smucker@cleanchoiceenergy.com](mailto:Rachel.smucker@cleanchoiceenergy.com)

**SB110\_IndivisibleHoCoMD\_FAV\_RichardDeutschmann.pdf**

Uploaded by: Richard Deutschmann

Position: FAV



## **SB110 – Electricity - Community Solar Energy Generating Systems - Generating Capacity**

**Testimony before**

**Senate Finance Committee**

**February 1, 2022**

**Position: Favorable**

Madame Chair, Mr. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in support of SB110, to raise the generating capacity of community solar projects in the state. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We appreciate the leadership of Senator Kramer for sponsoring this important legislation.

Community Solar has been a very successful program here in Maryland, as it has been in numerous states across the country. According to the Solar Energy Industries Association, there are now more than 3,600MW of Community Solar projects operating in the United States, as of 3Q21. It fills a gap for subscribers to be able to utilize the benefits of solar energy, even if they cannot use onsite solar because of lack of home ownership, economic status, or configuration issues such as shaded property. Community Solar helps the state to realize its goal of bringing 1000's of MW of clean energy online, as we reduce our use of fossil fuels to lower greenhouse gas emissions. Finally, Community Solar has the potential to reach 1000's of low to moderate income (LMI) subscribers, with savings on energy bills that will help those who need it most.

However, Community Solar will never reach its potential in Maryland, as long as the maximum system size is capped at 2MWdc. This small system size forces developers and community solar retailers to spread the high fixed costs such as legal and entitlements, over to the cost per kwh it can deliver to the subscriber. In addition, the cost per MW to develop and build the smaller system size is much higher than that of a larger, 5MWdc project. Increasing the maximum system size will bring Maryland in line with many other northeastern states that have larger system size caps, and enjoy thriving Community Solar markets.

For these reasons, we support the goals of SB110, as critical in building a strong Community Solar market in Maryland. Thank you for your consideration of this important legislation.

**We respectfully urge a favorable committee report.**

Richard Deutschmann  
Columbia, MD 21045

# **TurningPoint Energy\_Letter of Support for SB0110\_0**

Uploaded by: Salar Naini

Position: FAV



January 27, 2022

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

**SUBJECT: Senate Bill 0110**

Dear Chair Kelley, Vice Chair Feldman, Committee Members, and Senators:

TurningPoint Energy (TPE) is a national solar development and advisory company, based in Colorado that specializes in community solar. I run our business development efforts across the country and have been participating in the Maryland community solar market since its inception in 2015. I am now proud to say we will have over 40MW of projects in operation by the end of 2023. Collectively these projects will have generated over \$12mm in property tax revenue, create over 800 temporary and permanent jobs, and displace the carbon equivalent of 9,479 passenger vehicles. We would like to think we are just getting started in Maryland!

We are currently at a crossroad in Maryland, as the distribution grid is getting more congested and interconnection costs for our projects have gone up significantly. For us to continue developing community solar projects in Maryland that will allow the State to reach its renewable portfolio goals, it is pertinent for us to get the economies of scale necessary to absorb these higher interconnection costs. While Maryland was one of the first states in the country to have a viable community solar program, it has also fallen behind neighboring states that have higher system size caps. The following are a list of active deregulated community solar markets and their subsequent system size caps for reference (Virginia is regulated but also has a 5MW cap):

Community Solar Market	Capacity Cap/Project (MW)
New Jersey	5
New York	5
Virginia	5
Delaware	4
Illinois	5
Connecticut	4
Massachusetts	5
Rhode Island	10
Maine	5

I thank you for your attention to this matter and urge you to vote for SB0110 filed by Senator Kramer.

Sincerely,

Salar Naini  
Executive Vice President  
TurningPoint Energy  
[Snaini@tpoint-e.com](mailto:Snaini@tpoint-e.com)  
4803301245

**SB 110\_CHESSA\_Favorable.pdf**

Uploaded by: Scott Elias

Position: FAV



**SUPPORT**  
**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

**SB0110\_FIN\_FAV\_SGC\_Power.pdf**

Uploaded by: Tyler Jones

Position: FAV



February 1, 2022

Maryland Senate  
Senate Finance Committee  
3 East  
Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: Senate Bill 110 - Electricity - Community Solar Energy Generating Systems - Generating Capacity**

Position: **SUPPORT**

Dear Chair Kelley, Vice Chair Feldman and Members of the Senate Finance Committee,

Thank you for holding this public hearing today and allowing our testimony. I write to you to urge your favorable recommendation of Senate Bill 110. This bill increases the maximum production size for a community solar facility.

SGC Power is a Howard County-based Community Solar development company. Our team has decades of combined solar experience, developing hundreds of megawatts of electricity across the country with a focus on the Mid-Atlantic, especially in Maryland.

SGC Power fully supports the proposed legislation. This bill will of course provide greater opportunities for local community solar development companies like SGC to consider developing larger community solar facilities and in turn, provide renewable energy to many more subscribers per single facility when compared to the current 2 megawatt maximum.

As with any community solar facility, landowners who have the necessary land and are looking for an additional revenue stream can consider hosting a community solar facility. Many of the landowners SGC has worked with look to this additional revenue stream as a means to continue their way of life, whether it is needed to keep the property in their family for future generations, to supplement the difference between increased pricing on farming equipment and supplies when there are supply chain disruptions or even saving the revenue as a nest egg. By passing this legislation, it will allow landowners with the extra space to generate even more additional revenue than they currently would otherwise be permitted to generate under current law.

SGC Power supports SB110 and for all the reasons above, we respectfully ask the Committee for a favorable report.

Thank you for your support, we are available for any questions you may have.

Regards,

**Tyler D. Jones**  
SGC Power | Director, Legislative Affairs  
(410) 709-4986  
[Tyler.Jones@sgc-power.com](mailto:Tyler.Jones@sgc-power.com)

# **SB110\_Amendment 553129-01**

Uploaded by: Senator Kramer

Position: FWA



SB0110/553129/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

31 JAN 22  
13:53:11

BY: Senator Kramer  
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 110  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “**Systems –**” insert “**Net Energy Metering and**”; in line 4, after the first “of” insert “altering the maximum generating capacity of a community solar energy generating system for purposes of net energy metering;”; in line 9, after “Section” insert “7–306(a)(1), (4), and (7) and”; and in line 14, after “Section” insert “7–306(g) and”.

AMENDMENT NO. 2

On page 1, after line 19, insert:

“7–306.

(a) (1) In this section the following words have the meanings indicated.

(4) “Eligible customer-generator” means a customer that owns and operates, leases and operates, or contracts with a third party that owns and operates a biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydro electric generating facility that:

(i) is located on the customer’s premises or contiguous property;

(ii) is interconnected and operated in parallel with an electric company’s transmission and distribution facilities; and

(iii) is intended primarily to offset all or part of the customer’s own electricity requirements.

(Over)

(7) “Net energy metering” means measurement of the difference between the electricity that is supplied by an electric company and the electricity that is generated by an eligible customer-generator and fed back to the electric grid over the eligible customer-generator’s billing period.

(g) (1) Except as provided in [paragraph] PARAGRAPHS (6) AND (7) of this subsection, the generating capacity of an electric generating system used by an eligible customer-generator for net metering may not exceed 2 megawatts.

(2) An electric generating system used by an eligible customer-generator for net metering shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

(3) The Commission may adopt by regulation additional control and testing requirements for eligible customer-generators that the Commission determines are necessary to protect public safety and system reliability.

(4) An electric company may not require an eligible customer-generator whose electric generating system meets the standards of paragraphs (2) and (3) of this subsection to:

- (i) install additional controls;
- (ii) perform or pay for additional tests; or
- (iii) purchase additional liability insurance.

(5) An eligible customer-generator or the eligible customer-generator’s assignee shall own and have title to all renewable energy attributes or renewable energy credits associated with any electricity produced by its electric generating system.



(6) The Commission may not prohibit the construction or operation of multiple net metered solar energy generating facilities located on separate contiguous lots that are owned by a local government solely because the capacity of the combined net metering systems exceeds the limit established under paragraph (1) of this subsection, if:

(i) the net metered solar energy generating facilities are intended to be used solely for the benefit of the local government;

(ii) the total capacity of the net metered solar energy generating facilities on the contiguous lots does not exceed 5 megawatts;

(iii) the contiguous lots were not subdivided for the purpose of circumventing the limit established under paragraph (1) of this subsection; and

(iv) the utility serving the net metered solar energy generating facilities is not an electric cooperative or municipal electric utility.

**(7) THE GENERATING CAPACITY OF A COMMUNITY SOLAR ENERGY GENERATING SYSTEM ESTABLISHED UNDER § 7-306.2 OF THIS SUBTITLE THAT IS USED FOR NET METERING MAY NOT EXCEED 5 MEGAWATTS.”.**

# **Opposition of SB 110 - Electricity - Community Sol**

Uploaded by: Colby Ferguson

Position: UNF



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

February 2, 2022

To: Senate Finance Committee

From: Maryland Farm Bureau, Inc.

Re: **Opposition of SB110 - Electricity - Community Solar Energy Generating Systems - Generating Capacity**

On behalf of our member families, I submit this written testimony opposing SB 110. This bill increases the maximum generating capacity of a community solar energy generating system from 2 megawatts to 5 megawatts.

When the net metering law was created many years ago, a 2-megawatt limit was selected as this would limit the size and scale of the distributive renewable energy project on the landscape and the power grid. This bill looks to increase the size of a solar project by more than 2 ½ times which in turn increases the amount of land needed to have a project that large. There is nothing in this bill that would limit these projects being built on prime and productive farmland. Allowing this increase to public owned lands, brownfields and urban areas would be more favorable than the typical spots on the farm land that is there to produce our food.

**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 publicly owned lands, brownfields, rooftops, 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 110**

A handwritten signature in black ink, appearing to read "Colby Ferguson".

Colby Ferguson  
Director of Government Relations

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

# **SB0110 - LOI - Electricity - Community Solar Energ**

Uploaded by: Landon Fahrig

Position: INFO



**TO:** Members, Senate Finance Committee  
**FROM:** Mary Beth Tung – Director, MEA  
**SUBJECT:** SB 110 - Electricity - Community Solar Energy Generating Systems - Generating Capacity  
**DATE:** February 1, 2022

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**MEA POSITION: Letter of Information**

Senate Bill 110 will increase the maximum permissible project size for community solar projects from 2 to 5MW. Though this change may seem simple, to implement the changes, the Maryland Energy Administration (MEA) believes that it is likely that the Public Service Commission will need to initiate a rulemaking. MEA also notes that some community solar projects would now be subject to the Certificate of Public Convenience and Necessity (CPCN) process.<sup>1</sup>

The rulemaking may put the timeline for implementation prescribed by the bill in question. The rulemaking process is thorough and invites significant public input. Additionally, in that rulemaking process the PSC will have the onerous task of reconciling the existing rules for both community solar and the CPCN process. MEA will likely have to assign a Policy Manager and counsel to work on the assumed rulemaking. Local government zoning authority will also be impacted. Under current law, community solar projects are not required to obtain a CPCN. This means that local zoning authority controls for community solar projects. The bill will allow larger community solar projects that *will* require a CPCN. Therefore, assuming those projects receive the CPCN, placement of those projects will bypass the local zoning authority.<sup>2</sup> This places an additional class of solar (or, at least some of them) on par with utility-scale solar energy generating systems in the context of local vs. state control of what is traditionally a local privilege: zoning and permitting.

MEA requests that the committee consider this information when rendering a decision on the report for SB110.

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<sup>1</sup> Dependent on overall project capacity.

<sup>2</sup> See *Washington County v. Perennial Solar, LLC*.

**SB110\_Stanek\_Info.pdf**

Uploaded by: Lisa Smith

Position: INFO

STATE OF MARYLAND

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PUBLIC SERVICE COMMISSION

February 1, 2022

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

**RE: INFORMATION – SB 110 – Electricity – Community Solar Energy Generating Systems – Generating Capacity**

Dear Chair Kelley and Committee Members:

During the 2015 Legislative Session, the General Assembly passed House Bill 1087 and its Senate Bill counterpart, SB 398, requiring the Public Service Commission to develop a Pilot Program (“Pilot”) and report on a new type of net-metering, Community Solar Energy Generating Systems (“CSEGS”). PUA §7-306.2(a)(3)(vii) established that a CSEGS project may not exceed a maximum generating capacity of 2 MW as measured by the alternating current of the system’s inverter. SB 110 would amend this provision from 2 MW to 5 MW.

I wish to address a number of potential implementation issues with SB 110. First, the Pilot is codified in PUA §7-306 (net energy metering). PUA §7-306(g) establishes that the maximum net energy metering capacity for an electric generating system is 2 MW. SB 110 does not amend the existing net energy metering capacity limit; therefore, any CSEGS project with a capacity above 2 MW will not be eligible to receive net energy metering credits. This could reduce the incentive a CSEGS developer would have to build a project with a capacity greater than 2 MWs. Without access to net metering credits, the prices customers are charged would likely be higher for CSEGS projects larger than 2 MW.

Second, PUA §§7-207 *et seq.*, and §7-208 requires that a certificate of public convenience and necessity (“CPCN”) be issued before construction of a generating station larger than 2 MW. Under PUA §§7-306.2, CSEGS projects are currently capped at 2 MW and are not defined as

WILLIAM DONALD SCHAEFER TOWER · 6 ST. PAUL STREET · BALTIMORE, MARYLAND 21202-6806

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generating stations in the PUA, which exempt them from a CPCN review. CPCNs are important for generating projects larger than 2 MW because of potential environmental, land use, and community impacts. Without amendments to SB 110, larger CSEGS projects would not be subject to a state siting review process. In the alternative, PUA §§7-207.2 could be amended to include CSEGS projects over 2 MW in size. A CPCN review could potentially delay projects from participating in the Pilot due to the time constraints of the Pilot. If there is interest in having a state review of larger CSEGS projects without requiring a full CPCN review, a CPCN exemption could be considered.

I should note that the Commission is required to report to the Maryland General Assembly regarding Pilot results to date, by July 1, 2022, and the Pilot will end in December 2024.

The Commission appreciates the opportunity to provide this information on SB 110. Please contact Lisa Smith, Director of Legislative Affairs, at (410) 336-6288 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason M. Stanek". The signature is fluid and cursive, with a prominent initial "J" and "M".

Jason M. Stanek  
Chairman