

CHESAPEAKE BAY FOUNDATION

Environmental Protection and Restoration
Environmental Education

House Bill 511

Renewable Energy Portfolio Standard - Solar Energy - Compliance Fees

Date: February 16, 2023 Position: Support
To: Economic Matters Committee From: Doug Myers

Maryland Senior Scientist

Chesapeake Bay Foundation (CBF) **SUPPORTS** HB 511 which, beginning in 2025, freezes the compliance fee for failing to meet solar power objectives at 6 cents per kilowatt hour over any shortfall of that standard.

Last year's Climate Solutions Now law states that by 2030, 50% of the state's electricity must come from Tier 1 renewable sources, including at least 14.5% derived from solar energy. Compliance fees for failing to meet this target were set to decrease after 2024. By freezing the compliance fee rate, this bill will continue a needed incentive to expand solar power in the state, solve siting and grid interconnection issues that currently limit solar expansion and assure greenhouse gas emissions from fossil fuels are eliminated as soon as possible.

Tier 1 renewable energy sources are driving a new economy in Maryland and the bold actions taken by this body last year set a national standard for greenhouse gas emissions reduction policy that other states are now following. Any reduction in greenhouse gases not only helps to stabilize the climate, but also reduces nitrogen oxides emissions which become a source of nitrogen loading to the bay that is accounted for by the Bay Program, but lacks any assignment to a sector for reduction.

CBF urges the Committee's FAVORABLE report on HB 511.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.