



Testimony HB1188:

Public Utilities – Certificate of Public Convenience and Necessity – Solar Photovoltaic Systems

Position: **SUPPORT**

March 6, 2023

Dear Chair Wilson and Economic Matters Committee,

On behalf of CI Renewables, I respectfully urge a favorable vote on HB 1188. CI Renewables is a developer, owner, and operator of commercial and industrial scale solar power generation assets – predominantly serving hospitals, governments, and large energy users. Since 2010, we’ve developed and built complex renewable projects totaling over 200MWs spread throughout Maryland, New Jersey, California, and Virginia. In 2021, we moved our headquarters to Baltimore City so we could invest in Maryland’s economy and grow the commercial and industrial solar market. We’ve only just begun and have already delivered 30MWs of solar energy to Howard County Government as part of the largest Power Purchasing Agreement in the state. We are currently developing projects in Baltimore City, Baltimore County, Anne Arundel County and Howard County.

Clarity and transparency in the land use, zoning, permitting and regulatory process surrounding renewable energy development in the State is vital. It is one of the fundable pillars that creates a stable, investible market, and is therefore critical to reaching our RPS target. To begin the years’ long process of designing, developing, permitting, and constructing a solar energy facility in the State, it is absolutely critical that all stakeholders have clear visibility as to which permits are required and which of our many agency or government authorities have jurisdiction over which parts of the process. It is also paramount that the renewable energy industry can trust the regulations and precedent set forth before them when they start into a new project development process.

This bill seeks to provide that clarity, transparency and security - simply by codifying the clear precedent set forth to date. We believe this precedent is equitable, leaving jurisdiction for projects under 2MWs, regardless of co-location, with the host Counties. This is particularly appropriate considering that projects like these can only serve and sell electricity to County and local governments, agricultural users, and non-profit customers, almost all of which will be part of that same local community.

We thank Chair Atterbeary for her leadership on this bill and commend her for her unrelenting commitment to her Howard County constituency!

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HB1188/SB891- Certainty in Solar Permitting

WHAT IT IS...

- Codifies Public Service Commission (PSC) precedent allowing local permitting for colocation of electrically-separate net metered projects without requiring permitting through the Certificate of Public Convenience and Necessity (CPCN) process.

WHAT DOES THIS BILL CHANGE ABOUT CURRENT LAW...

There's a requirement for a CPCN for anyone building a "generating station." HB1188/SB891 codifies two existing regulatory exceptions from the definition of "generation station":

- electric facilities producing not more than 2 MW AC; and
- co-located, separately metered facilities that individually produce not more than 2 MW AC, even if collectively they produce more than 2 MW.

Thus, because these facilities are excluded from the definition of generating station, no CPCN is required and the permitting process stays at the local level. This is consistent with PSC precedent for the *Annapolis Solar Project* and *Blue Star*. Because the definition of generating station is otherwise unchanged, passage will not have unintended consequences.

WHY DOES THIS MATTER? For a narrow subset of projects, *i.e.*, aggregate virtual net metered projects developed for county/municipal governments, non-profits, and agricultural interests, this legislation would provide certainty and clarity in the process. It does not affect community solar, utility scale (>2MW AC) projects, and it does not allow utility scale projects to segment to avoid CPCN permitting.

WILL PROJECTS STILL HAVE REVIEW AND OVERSIGHT? Yes. Non-CPCN projects are subject to review substantially similar to that of the CPCN process via the applicable local land use process. In addition to zoning, site plan, stormwater, sediment and erosion control, building permits, etc. any applicable state or federal reviews (e.g., wetlands, forestry, FAA, habitat, historic, etc.) are performed by the same agencies and personnel participating in the CPCN process. Likewise, interconnection with the grid is handled through the local utility subject to applicable safety regulations exactly as occurs for utility scale projects.

CONTACT INFORMATION

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