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SB931 - Public Utilities - Certificate of Public Convenience and Necessity - Solar Photovoltaic Systems

# Education, Energy, and the Environment Committee 

March 15, 2023

Leah Miller, Howard County Energy Manager

Position: Support

Mr. Chairman and honorable members of the Committee:
Howard County writes to request the Committee's support on SB931, which codifies existing Public Service Commission (PSC) precedent for co-located aggregate net metered (ANEM) solar projects, clarifying that these smaller projects, though proximately located to one another, should be treated as separate 2MW projects, and thus exempt from the Certificate of Public Convenience and Necessity (CPCN).

As you may be aware, two years ago Howard County entered into Maryland's largest solar power purchase agreement. When completed, there will be 19 projects on 10 different sites. These 19 projects will supply Howard County Government with 44 million kilowatt hours per year, which is about two thirds of our total energy needs.

The County was able to accomplish this through a unique approach to the program. Nine of the 19 projects are ANEM projects co-located on three separate private properties in Howard County, each project generating 2MW. The design of these projects as ANEM allowed the County to build the other - significantly more expensive - projects on rooftops and parking lots on government-owned properties throughout the County. These lower-cost ANEM projects created capacity for the County to also invest significantly in electric vehicle (EV) infrastructure throughout the County.

The development of solar programs at this scale requires intricate financing strategies, which weigh the costs of generation against the value of the power generated. Without these colocated ANEM projects, Howard County's program would not be financially viable. Though the PSC has endorsed the exemption from the requirement for a CPCN for Howard County's colocated ANEM projects in two separate cases by correctly viewing these as three separate 2MW projects, significant threshold questions were raised in the evaluation of the most recent case. Had precedent been reversed, this reinterpretation of the law would have undercut Howard County's entire solar program.

SB931 simply codifies the PSC's existing precedence in the case of these co-located ANEM projects that are up to 2MW, making clear the State's intent to allow Howard County's example to stand as a model and eliminating any uncertainty in future cases before the PSC. The passage of this bill would give much-needed clarity and stability to Howard County as well as other governments, school systems, and public or nonprofit institutions so they may pursue similar solar projects - generating large amounts of solar energy with little or no additional investment from the government.

Howard County requests a favorable report on SB931.

