



**Re: SB 357**

Good morning, Council members and staff. Thank you for allowing this opportunity to submit comments supporting SB 357.

**Xpansiv company, SRECTrade**

SRECTrade is a management and transaction platform for Solar Renewable Energy Certificates (SRECs) and clean transportation markets across North America, with more than a gigawatt of environmental assets under management. Since 2008, SRECTrade has been a domain expert in environmental-commodity markets, bringing a wealth of knowledge and transparency to the clean-energy industry. Our platform and presence in REC and LCFS (Low Carbon Fuel Standard) markets complements Xpansiv's rapidly expanding ESG infrastructure, which includes CBL, the largest spot exchange for carbon, RECs, and Digital Fuels; XSignals, which provides end-of-day and historical market data; EMA, the leading multi-registry portfolio management system for all environmental commodities; and APX, the leading provider of registry infrastructure for energy and environmental markets.

**SB 357**

SRECTrade greatly supports SB 357.

The state of Maryland has been a leader with solar development, and this is due to the renewable energy goals enacted over the last 15 years.

Stable SREC prices give security when building and financing solar projects. The SACP is one of the main factors that influences SREC prices. SREC prices affect the revenue that comes from solar projects and brings down barriers that prevent residential and commercial owners from purchasing these assets.

The current SREC market is undersupplied, with millions of ACP payments being made (PSC Renewable energy Portfolio Standard Report). Maryland is not on track to meet the solar goals of the Renewable Energy Portfolio Standard (RPS). The current ACP schedule is set to decline and eventually reach \$22.50/MWh by 2030. As SREC prices decline, the market will see more ACP payments being made. A higher ACP will lead to an increase in build rates and more solar on the market. Increased build rates lead to more job creations which improves the economics in the state. In other states that experience price drops the capital investment in solar projects remains low and may be more expensive as businesses have less certainty with their investments.



SRECTrade manages over 76,000 systems, and the majority of them are residential and small commercial systems. Over the last few years as the ACP has been declining we have seen less of these systems being built. The average system size in 2021 was 27 kW, while the average system size in 2022 was 48 kW. If SREC prices continue to decline, solar will become unattainable for these owners.

Respectfully,

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SRECTrade