



**Bill No:** SB 357 – Renewable Energy Portfolio Standard – Solar Energy Compliance Fees

**Committee:** Energy, Education, and the Environment

**Date:** February 14, 2023

**Position:** Favorable with amendments

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George’s Counties.

Many AOBA members have signed long term energy contracts under the existing Maryland Renewable Energy Portfolio Standards and are concerned with the impact that this bill will have on these contracts. AOBA respectfully requests that the bill be amended to grandfather in existing contracts. Commercial and multi-family owners and managers must have time to understand the change in law and realign their budgets and capital spending, which are done years in advance. Particularly during these uncertain economic times for our members, the goal should be to keep our residential and office building operating budgets as stable as possible to aid in their overall recovery.

There is precedent in grandfathering of energy contracts including recent changes to the RPS regulations in Maryland through Senate Bill 516 from 2019 and Senate Bill 65 from 2021. In both instances, existing energy contracted load was exempt from changes to the percentages and the SACP.

Here is some sample language from the Maryland Clean Energy Jobs Act of 2019:

SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing obligation or contract right may not be impaired in any way by this Act.

For further information, contact Brian Anleu, AOBA Vice President of Government Affairs for Maryland at (240)381-0494 or [banleu@aoba-metro.org](mailto:banleu@aoba-metro.org).