

SB357 – Renewable Energy Portfolio Standard – Solar Energy – Compliance Fees

Testimony before Education, Energy, and the Environment Committee February 14, 2023

Position: Favorable

Dear Education, Energy, and the Environment Committee Members,

My name is Ruth Auerbach, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today to <u>support SB357</u>, altering the compliance fee that electricity suppliers would pay for any shortfall in the percentage of solar energy supplied. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are grateful for the leadership of Senator Klausmeier in sponsoring this bill.

Indivisible Howard County strongly supports clean and renewable energy. For 2025 and beyond, this legislation holds the compliance fee for a shortfall in the percentage of solar electricity supplied at the 2024 rate of 6 cents per kilowatt hour. This compliance fee was as high as 45 cents per kilowatt hour in 2008. Even as recently as 2016, the fee was 35 cents per kilowatt hour. Compared to these earlier fees, a 6 cent fee is quite modest. Hopefully, the electricity providers will supply the required minimum percentage of solar energy and the compliance fee will not be needed. However, with the cost of electricity increasing, letting the compliance fee fall below 6 cents per kilowatt hour will make it increasingly insignificant.

We are concerned that the current fee structure may not be hefty enough to get the clean renewable energy needed to make meaningful progress against climate change.

Thank you for your consideration of this important legislation. We respectfully urge a favorable report on this bill.

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