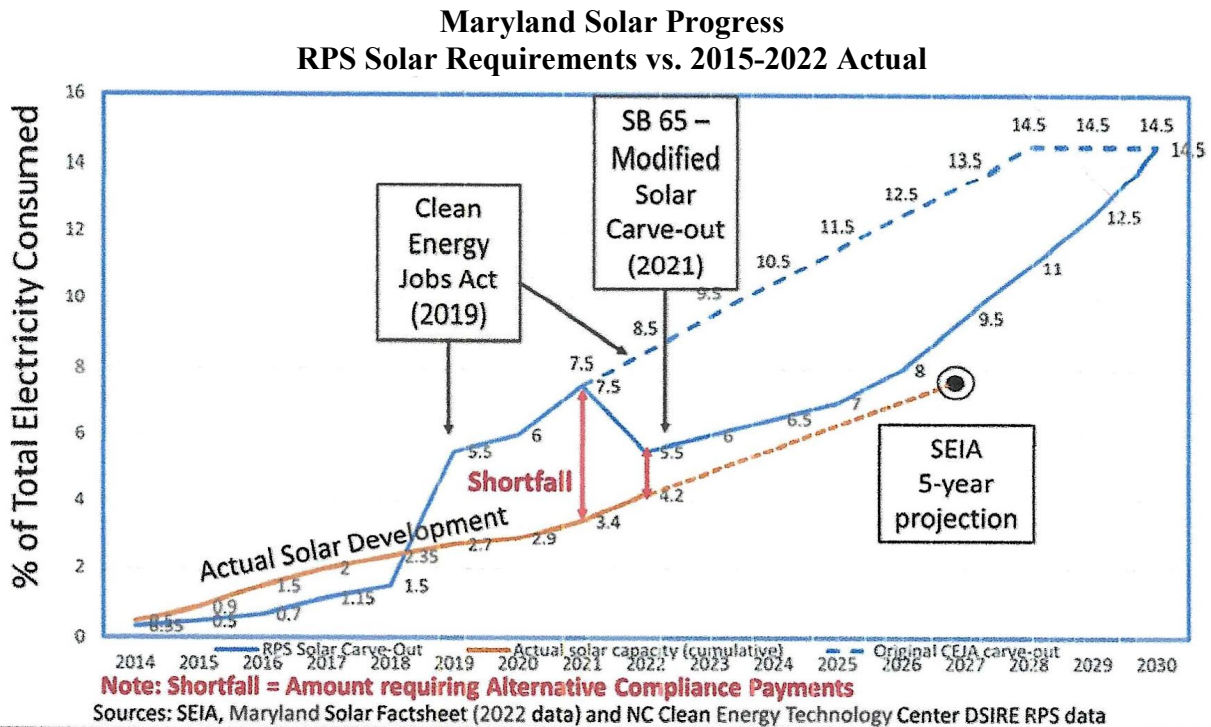


Committee: Economic Matters
Testimony on: HB1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies and Plans
Submitting: Deborah A. Cohn
Position: Favorable With Amendments
Hearing Date: February 29, 2024

Thank you for allowing my testimony today regarding HB1407. I recommend that the Committee amend the bill to modify certain provisions and then issue a favorable report.

The Problem: The Renewable Portfolio Standard (RPS) calls for 14.5% of Maryland’s clean electricity to be contributed by solar energy by 2030, but the State has repeatedly fallen significantly short of the interim targets.



After considerable effort over multiple months, representatives of the solar industry, counties, and agricultural, land use and environmental groups were unable to agree on a process for allocating among the counties their respective contributions (however ultimately determined) toward meeting the 14.5% goal by 2030 and for streamlining the process for obtaining certificates of public convenience and necessity (CPCN) from the Power Plant Research Program (PPRP) in the Department of Natural Resources. Some participants were concerned that certain counties had land use laws effectively precluding development of utility-scale (2MW or greater) solar energy generating systems in significant swaths of these counties.

The Solution: This testimony comments on four elements of the bill designed to overcome these obstacles and put Maryland on a path to meet its solar energy goals.

Proscribing County Zoning Laws That Effectively Prohibit Certain Energy Generating Systems.

Certain counties have adopted zoning laws that effectively prohibit installation of community solar and larger installations on most agricultural land. State law needs to override these local laws. That said, under some of these zoning laws some larger installations *may* still be able to be approved under the standard CPCN process. Any proscription of certain local zoning laws should clearly indicate that it does not overrule the CPCN process for larger solar energy projects.

I oppose, however, the reference to “Tier 1 renewable source generating capacity” throughout the bill rather than “solar energy generating capacity.” The problem that needs addressing is the state’s failure to meet annual targets for new *solar energy* generating capacity. HB1407 should focus solely on that problem or at most on solar energy generating systems and onshore wind energy.

Determining Amount of Generating Capacity Needed in Each County to Meet the State’s Solar Energy Target: I agree that some method is needed to determine the appropriate contribution of each county toward meeting the state’s solar energy goal and that the Public Service Commission is best suited to develop and oversee this process. Accordingly, I support the process described in HB1407 (Public Utilities Article, §§7-703.1(a)(1) and (2)), which calls for the Public Service Commission (PSC) to recommend county contributions. That said, I have two concerns.

First, the proposed §§7-703.1(a)(1) and (2), appear to call for each county to be solar energy self-sufficient, regardless of likely differences in costs and benefits. While these sections call for the allocation of solar energy “on a proportional basis” to be determined by the PSC based on a “variety of factors,” the proposed language puts a thumb on the scales by highlighting as relevant factors each county’s use of electricity and population. Developing more solar energy generation in Maryland is not merely an energy issue. It is also, critically, a land use issue, which requires balancing solar energy development goals with conservation and preservation goals for land and important natural resources. Taking into account these competing land use priorities is critical given that Maryland is the [fifth most densely populated state](#), making land a highly constrained resource.

Accordingly, many more factors than county population and electricity use are relevant in allocating each county’s required minimum contribution of solar energy generating capacity, and different participants in the PSC study likely will have different views as to the appropriate relative weight of each factor. **I therefore strongly recommend that Section 7-703.1(a)(1)(ii) end with the word “subtitle” on line 11 and that the remainder of line 11 through the end of line 18 be stricken.**

Second, the PSC study provided for under Section 7-703.1 needs to ensure broad public participation as this will be critical to ensuring that the basis for allocating responsibility among the counties is appreciated by local county interests and broadly accepted. Typically, the PSC would routinely include not only by representatives of the solar industry, utility companies, and state agencies knowledgeable about electricity generation issues, but also state agencies and other representatives knowledgeable about land use conservation and protection of natural

resources. The concerns of counties likely will vary, however. While individual counties may choose to intervene, ensuring participation by counties that are densely developed and those rural counties with a higher proportion of land devoted to farming, and by counties from different parts of Maryland will be important. Adding to HB1407 some statement of concern for broad representation, and broad county representation in particular, may be helpful in ensuring broad acceptance of the PSC study's determinations.

County Studies and Solar Development Plans: Subject to the previous comments about the use of "Tier 1 renewable source generating capacity", I support the provisions in HB1407 (Public Utilities Article, §7-703.1(b)) requiring each county, by specified dates, to study and then submit to the PSC for its review a report on how much solar energy generating capacity the county could provide to satisfy its assigned contribution toward meeting the state's 14.5% solar energy goal. Requiring each county to develop such a detailed plan will help ensure that the state goal is met.

To allow comparability among counties, however, I suggest that §7-703.1(b) be amended to require each county to base its plan on information¹ to be provided in the database mandated under HB1328 identifying land suitable for solar energy development and on technical details on the electricity grid from utilities.

Finally, I am concerned that HB1407 envisions each county's meeting its solar generation requirements within 10 years, rather than the state's goal of achieving a 14.5% solar energy carve-out by 2030, *i.e.*, within seven years. Accordingly, I recommend that HB1407 be amended to require that each county's plan be designed to allow it to meet its share of the 14.5% target by 2030.

Monitoring Progress toward Meeting State Solar Energy Goal: I applaud the provisions in HB1407 (Public Utilities Article, §7-703.1(c)) directing the PSC, after receiving the county solar energy development plans, to create a Renewable Energy Compliance and Oversight Plan to ensure that each county meets its target over ten years, including its 2030 interim target. I also support directing the PSC (i) to create reasonable timelines for each county, with interim status reviews to adjust the provisions of the county plans to ensure that the state meets its 2030 goal, and (ii) to inform the relevant committees of the General Assembly in case changes to state law to facilitate and incentivize more rapid solar energy development are needed.

Summary: I urge the Committee to amend HB1328 and adopt a version of Public Utilities Article §7-703.1 as proposed in this testimony. I would then urge a **FAVORABLE** report by this Committee.

Thank you.

Deborah A. Cohn

¹ Proposed State Government Article, Section 9-2016(a), (b) and (c) in HB1328.