



Maryland Energy Administration

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee
FROM: MEA
SUBJECT: HB1407 - County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans
DATE: February 29, 2024

MEA Position: Letter of Concern

This bill would prohibit counties from establishing zoning laws or other regulations that pose barriers to the construction or operation of Tier 1 renewable energy generating systems. This bill would also require the Public Service Commission to create a renewable energy compliance and oversight plan – establishing the amount of energy generation from Tier 1 renewable sources needed in each county to meet the State’s renewable energy portfolio standards – and for each county to create their own 10-year plan to meet their targets.

Maryland is currently falling short of the State goals established in the Renewable Energy Portfolio Standard (RPS), which requires electricity suppliers to provide at least 50 percent of their electricity from Tier 1 renewable sources by 2030, including at least 14.5 percent from solar sources. According to the study recently conducted by the Task Force to Study Solar Incentives, chaired by MEA Director Paul Pinsky, Maryland is approximately 20 percent behind on meeting our solar carveout and setback requirements. Soil limitations and other zoning regulations in certain counties are posing unreasonable barriers to the siting of ground mounted solar systems below 2 megawatts of alternating current.

While MEA is supportive of reducing barriers at the local level, this bill as written may delay Maryland’s ability to achieve our RPS goals. The 3-year state and county planning processes required by this bill are built around one main objective – to establish targets per county on a proportional basis, considering factors such as the population of the county and electricity consumption in that county. The challenge is that there is a mismatch between population centers and attractive sites for the development of Tier 1 renewables. The viability and financial feasibility of a Tier 1 renewable project depends on the value of the land, the property owner’s interests, the topography and natural resources present, and the proximity to existing electric infrastructure. These factors are also dynamic leading to changing evaluations of the opportunity at different points in time.

Furthermore, the current State approval process for larger energy generation projects is already effective for evaluating the siting of new Tier 1 renewables with a minimum capacity of 2 megawatts of alternating current. Through the process of approving a certificate of public convenience and necessity (CPCN) from the Public Service Commission, the State preempts local authority to evaluate a project,

taking into account the State's public interests, including renewable energy goals and certain environmental regulations. Therefore, the new county targets established by the bill could hinder the State's existing efforts to approve larger renewable energy projects.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Evie Schwartz directly (evie.schwartz@maryland.gov, 443.537.5538).