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Delegate C.T. Wilson, Chair Economic Matters Committee Room 231 House Office Building Annapolis, Maryland 21401

Testimony HB1046: Public Utilities - Distributed Generation Certificate of Public Convenience and Necessity Position: Favorable

Chair Wilson, Vice Chair Crosby, Members of the Committee, thank you for the opportunity to testify on House Bill 1046, Public Utilities - Distributed Generation Certificate of Public Convenience and Necessity. I am Robin Dutta, the Executive Director of the Chesapeake Solar and Storage Association (CHESSA). Our association has over 100 member companies in the solar and energy storage industries. Many members are Maryland-based. Others are regional and national companies with an interest and/or business footprint in the state. Our purpose is to promote the mainstream adoption of local solar, large-scale solar, and battery storage throughout the electric grid in order to realize a stable and affordable grid for all consumers.

I am here to provide testimony on HB 1046, Public Utilities - Distributed Generation Certificate of Public Convenience and Necessity. This is an important step towards modernizing the Public Service Commission (PSC) processes and regulations. With it, community solar projects can have faster development timelines and avoid an unnecessarily long and expensive regulatory process.

It is imperative that Maryland energy policy promote solar development in the state as quickly as is practicable and reasonable. The PSC's <u>Renewable Energy Portfolio Standard Report for Calendar</u> <u>Year 2022</u> showed that the state fell far short of meeting the solar carve-out target. Only 55% of the state's 2022 solar target was met, showing that there was not enough deployment of solar capacity across residential, commercial, community solar, and wholesale market solar projects in Maryland. Maryland's nation-leading solar targets will ramp up considerably, and economic realities continue to hamper the needed growth in the state's solar industry.

Maryland energy policy needs to reflect the urgency to deploy more in-state solar, not only to meet the solar-specific targets but because near-term solar deployments should be a major part of the state's decarbonization actions.

HB1046 would re-align the PSC's processes around the Certificate of Public Convenience and Necessity (CPCN) to evaluate smaller groundmount solar facilities greater more appropriately than 2 MW and up to 5 MW, such as community solar projects, under different rules than large-scale renewables. The CPCN process was originally conceived for large power plants and energy infrastructure siting, permitting, and approvals well before Maryland embarked on the clean energy transition. Community solar projects are not the size and scale of transmission lines or fossil fuel electric generation plants.

As Marylanders fully electrify their buildings and purchase electric vehicles, they will become more reliant on the electric grid than at any previous point. The grid of the future will have the combined roles that today's grid, natural gas system, and gas stations have. It will need to account for higher statewide electric loads, and greater electric demand in peak periods. As a result, Maryland solar needs to be built on homes, businesses, and on open land. HB1046 allows the PSC process to better help this "all of the above" solar strategy.

For these reasons, CHESSA asks the committee for a favorable report.

Thank you, and please reach out with any questions on solar and storage policy. CHESSA is here to be a resource to all committee members.

Sincerely,

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