



Re: HB 1435

Good morning, Council members and staff. Thank you for allowing this opportunity to submit comments supporting HB 1435.

Xpansiv company, SRECTrade

SRECTrade is a management and transaction platform for Solar Renewable Energy Certificates (SRECs) and clean transportation markets across North America, with more than a gigawatt of environmental assets under management. Since 2008, SRECTrade has been a domain expert in environmental-commodity markets, bringing a wealth of knowledge and transparency to the clean-energy industry. Our platform and presence in REC and LCFS (Low Carbon Fuel Standard) markets complements Xpansiv's rapidly expanding ESG infrastructure, which includes CBL, the largest spot exchange for carbon, RECs, and Digital Fuels; XSignals, which provides end-of-day and historical market data; EMA, the leading multi-registry portfolio management system for all environmental commodities; and APX, the leading provider of registry infrastructure for energy and environmental markets.

HB 1435

SRECTrade greatly supports HB 1435.

SRECTrade currently manages over 19,000 assets in the state of Maryland. We also work with over 30 residential and small commercial solar installers. SRECTrade is involved in all aspects of SREC certification, reporting, and transacting. Our dedicated teams work with the Public Service Commission (PSC) to certify eligible systems. We also work closely with GATS (tracking registry) to ensure systems are reporting correctly.

The Maryland SREC market has been greatly undersupplied since 2022. There are not enough SRECs for utilities to purchase to meet their Renewable Portfolio Standard (RPS) obligations. In 2022, \$85 million in ACP payments were made by the utilities because there were not enough SRECs on the market to purchase. The build rates for solar projects are not enough to meet Maryland's Renewable Energy goals.

Creating an SREC multiplier will give a greater incentive for owners to adopt solar. SREC prices are set to decline as the Solar Alternative Compliance Payment (SACP) schedule declines. We've heard from numerous solar installers that the price of residential projects is going up and it's harder to sell these systems. Additional SRECs will make it attainable for more Maryland residents to afford solar systems on their houses and businesses. We have seen this concept work in other markets. Michigan/MISO has a multiplier, which they refer to as incentive RECs.



NEPOOL in Massachusetts has an SREC factor for the SREC II program. The Department of Energy Resources (DOER) passed the legislation around this concept and NEPOOL (tracking registry) implemented it.

SRECTrade is willing to provide additional information and resources if necessary.

Respectfully,

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SRECTrade