



February 7, 2024

The Honorable Brian J. Feldman  
Chair, Senate Education Energy & Environment Committee  
2 West Miller State Office Building  
Annapolis, Maryland 21401

RE: Senate Bill 416: Renewable Energy – Customer-Sited Solar Program  
FAVORABLE

Dear Chairman Feldman and Members of the Committee,

Maryland Rooftop Solar Coalition (MRSC) appreciates the opportunity to provide testimony in support of Senate Bill 416. MRSC is comprised of a group of companies operating in Maryland whose business models are focused on promoting our State's clean energy policies through the installation and operation of rooftop and customer-sited solar systems. Throughout the last year, we participated in the Solar Incentives Task Force, and today's legislation builds on that group's recommendations.

We submit testimony today and ask for your support for Senate Bill 416 (SB 416), the Renewable Energy Customer-Sited Solar Program, and we wish to highlight the critical need for this legislation to address the decline in Maryland residential solar installations. This drop can be attributed, in large part, to limitations within the current Renewable Portfolio Standard (RPS). The existing structure has inadvertently hindered future solar growth, particularly for rooftop systems. Based on MEA's goal of 130,000 new residential solar installations by 2035, Maryland needs to grow the sector by roughly 30 megawatts per year, or 57% annually.

The current under deployment of solar has resulted in substantial sums being paid as substantial Solar Alternative Compliance Payments (SACP) – an indication of the limited progress being made towards the state's 2030 targets.

SB 416 proposes to establish a Customer-Sited Solar program – a bridge program to allow the Maryland rooftop solar industry to regain its strength as the legislature determines next steps on reforming the current RPS. The Customer-Sited Solar Program in this bill expands and improves on the current grant available through the Maryland Energy Administration (MEA). This initiative is designed to immediately increase the deployment of systems, assisting the state in meeting its renewable energy targets and further helping citizens of the state afford a renewable energy source.

**Key Provisions of Senate Bill 416:**

1. **Equitable Distribution:** The bill targets low-and moderate-income, overburdened, and underserved communities (LMIOU), ensuring that the benefits of solar energy reach all demographics. It calls for two tiers of grants – a higher grant level for low and moderate income verified customers statewide and a lower grant level for customers living within LMIOU census tracts.



2. Addressing Geographic Gaps: SB 416 corrects a gap in the current law, allowing the Maryland Energy Administration (MEA) to support solar for low- and moderate-income (LMI) households beyond defined LMIOU areas. Tier one, a grant of up to \$7500, expands to all LMI households across the state, opening the program to many that may have been unable to participate.
3. General Market: While we believe that a strong and stable general market is critical to the health of the industry and the ability of companies to effectively serve disadvantaged communities and low-income households, we understand the tight budgetary environment that Maryland is currently facing and acknowledge that these funds may be earmarked for other uses. This highlights why the second tier of funding from SACP payments is all the more important.
4. Inclusive Financing Models: SB416 allows customers to choose between all available financing models, including third-party ownership, ensuring flexibility and providing Maryland residents with the ability to choose how to finance their system.

### **Benefits of Senate Bill 416:**

1. Job Creation: The proposed legislation supports citizens maintaining their current jobs and local job creation. The decline in new residential solar installations is curtailing job opportunities for low- and moderate-income communities. Residential solar creates 10x more jobs than other solar segments due to labor needs. Solar installation jobs are projected to increase 27% from 2021 through 2031, which is well above the 5% average growth rate for all occupations. Maryland currently ranks 36<sup>th</sup> in solar job growth and risks falling further by failing to support greater residential expansion.<sup>1 2</sup>
2. Economic Savings: With the ability to choose a renewable energy source, residential solar customers benefit from financial returns and lower monthly utility bills. Customers in Baltimore save as much as \$75 per month during their first year of solar ownership. Additionally, on average residential solar increases the value of a home by about \$15,000.<sup>3 4</sup>
3. Meeting RPS and Climate Goals: SB 416 aligns with Maryland's goals and contributes significantly to the state's RPS targets. In fact, residential solar accounts for nearly 50% deployed solar in our state. Nationally, expanding local solar and storage could save utility ratepayers nearly half a trillion dollars by 2050.<sup>5 6 7</sup>
4. Leveraging Existing Infrastructure: Customer-sited solar is an efficient and responsible means of meeting Maryland's renewable energy goals and avoids siting constraints. By harnessing the availability of rooftop space, this bill maximizes the use of already built structures, minimizing the need for additional land impacts, preserving Maryland's natural resources. According to the Maryland Department of Natural Resources, the state needs to utilize up to 33,000 acres to reach its 2030 RPS goals by relying predominantly on large-scale solar projects. Utility-scale solar is presently located on 3,600 acres.<sup>8</sup>



With the right-sized incentives established by SB 416, our industry can be ready immediately to deploy systems, hire local employees, and install MWs to help meet Maryland’s energy goals.

I wish to thank Senator Lewis Young for championing this bill and the Committee for their time. MRSC respectfully asks that a favorable report is issued.

Respectfully submitted,

Ed Merrick,  
Corporate Vice President, Trinity Solar  
President, Maryland Rooftop Solar Coalition

Cc: Rick Abbruzzese

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1 <https://www.seia.org/research-resources/national-solar-jobs-census-2020>

2 <https://www.seia.org/research-resources/solar-market-insight-report-2020-year-review>

3 [https://nccleantech.ncsu.edu/wp-content/uploads/2019/05/Going-Solar-in-America-Ranking-Solars-Value-to-Customers\\_FINAL.pdf](https://nccleantech.ncsu.edu/wp-content/uploads/2019/05/Going-Solar-in-America-Ranking-Solars-Value-to-Customers_FINAL.pdf)

4 <https://www.energy.gov/energysaver/benefits-residential-solar-electricity>

5 <https://www.psc.state.md.us/wp-content/uploads/MD-Costs-and-Benefits-of-Solar-Draft-for-stakeholder-review.pdf>

6 <https://mde.maryland.gov/programs/Air/ClimateChange/MCCC/MWG/Solar%20Siting%20Project%20Problems%20in%20MD.pdf>

7 <https://www.eia.gov/state/analysis.php?sid=MD>

8 <https://mde.maryland.gov/programs/Air/ClimateChange/MCCC/MWG/Solar%20Siting%20Project%20Problems%20in%20MD.pdf>