

Favorable with Amendments
Senate Education, Energy, and the
Environment
House Economic Matters
2/21/2025

**Senate Bill 931 / House Bill 1036 – Public Utilities - Generating Stations - Generation and Siting
(Renewable Energy Certainty Act)**

Baltimore Gas and Electric Company (BGE) supports with amendments *Senate Bill 931 / House Bill 1036 – Public Utilities - Generating Stations - Generation and Siting (Renewable Energy Certainty Act)*. Senate Bill 931 and House Bill 1036 propose changes to the factors the Public Service Commission (Commission) must consider before issuing a certificate of public convenience and necessity (CPCN). The bills set specific requirements for constructing solar energy generating stations and energy storage devices. The bills also include provisions to expedite local government review and approval of site development plans and permit the establishment of community solar energy generating system automatic enrollment programs. Additionally, the bills mandate the Commission to conduct a study to develop a process for establishing partnerships between electric companies and electricity suppliers for generation projects.

The deployment of new solar energy generating stations and battery storage facilities is critical to addressing Maryland’s resource adequacy challenge. In alignment with its broader objectives to enhance grid reliability, integrate additional renewable energy sources, and achieve carbon neutrality by 2045, the State has established a target to install 3,000 MW of battery storage. The State is actively encouraging utilities and other entities to expedite the siting and development of storage projects to provide additional electricity during peak demand periods. Senate Bill 931 and House Bill 1036 will require a battery storage facility to obtain approval from the Commission before it can be constructed – akin to a CPCN process for battery storage facilities. These new requirements will add significant costs to storage projects, increase administrative burdens, and could act as a disincentive to constructing these facilities in Maryland, undermining the State’s targeted goal.

To align with the bill's objectives, BGE suggests the following amendments that: clarify the language and avoid unintended financial impacts on non-participating jurisdictions; ensure customer awareness before program enrollment; provide protections for community solar subscribers; clarify the date for which utilities are required to implement consolidated billing protocols; and expedite the siting of storage projects:

- Utility territories cross jurisdictional boundaries. If a local government initiates a community solar program, the bill should explicitly state — and dictate a structure to ensure — that other jurisdictions will not incur costs related to stranded contracts or generation assets. The initiating jurisdiction should bear all financial responsibilities for these programs.
- While community solar programs offer expanded access to renewable energy, automatic enrollment without explicit customer consent raises concerns about consumer protection and informed choice. We recommend replacing automatic enrollment with an opt-in process to ensure customers fully understand the program's benefits, costs, and potential impacts prior to enrolling.

BGE, headquartered in Baltimore, is Maryland’s largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company’s approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation’s largest energy delivery company.

- Remove the requirement to bank unsubscribed community solar energy as this will only benefit Subscriber Organizations and could hinder the growth of Maryland’s community solar customer base. As drafted, Subscriber Organizations could bank kilowatt-hours valued at the locational marginal rate at the time it was produced, and later offer subscribers the same kilowatt-energy at a higher rate. Simply put, this provision creates an opportunity for developers to speculate on energy markets and cash out only at financially advantageous times. Since Maryland’s ratepayers are on the other side of the “trade”, developers have an opportunity to enrich themselves at the expense of Marylanders.
- Add language to clarify the timing for electric companies to implement consolidated billing protocols for purchase of receivables or net crediting for community solar energy generating systems by January 1, 2026, as prescribed under current law.
- Remove the Commission construction approval requirements for energy storage facilities as this will hinder timely deployment of storage projects and delay achievement of the State’s storage goals.

BGE remains committed to supporting Maryland’s energy transition and supports policies that keep affordability, resiliency, and reliability a priority. BGE requests the Committees accept our recommended amendments and issue a favorable report.