



AN EXELON COMPANY

Position Statement

OPPOSE
Economic Matters
2/21/2025

House Bill 1233- Community Solar Energy Generating Systems - Subscription Eligibility

Baltimore Gas and Electric Company (BGE) strongly opposes *House Bill 1233 - Community Solar Energy Generating Systems - Subscription Eligibility*. This bill proposes to repeal the requirement that a community solar subscriber and the community solar energy generating system (CSEGS) be located in the same electric service territory for the subscriber to receive monthly electric bill credits. Specifically, it mandates the Public Service Commission (PSC) to develop a protocol for utilities to transfer these credits to a low-income community solar subscriber's bill, regardless of the location of the CSEGS.

While BGE acknowledges the benefits of the community solar energy program in providing renewable energy options to Maryland customers, we have significant concerns about the implications of *House Bill 1233*. *House Bill 1233* presents several challenges. If a CSEGS and a Low-to-Moderate Income (LMI) subscriber are in different service territories, the electric company receiving the solar power export cannot credit the LMI subscriber, as they are not a customer of that company.

This bill will create a logistical (but more importantly a jurisdictional) challenge. Even if a process were developed, it would lead to complications in credit value recovery and load settlement. The solar export benefits one service territory, while the subscriber credit is issued in another, funded by customers who do not benefit from the generated solar. This disparity would result in inappropriate funding and differences in credit value due to varying retail rate structures across jurisdictions.

Moreover, creating a mechanism to settle energy in one PJM Zone and credit it at a different rate is impractical. Differences in energy prices would lead to shortfalls or windfalls, with no proper way to credit a subscriber accurately. Ultimately, if the CSEGS is outside the BGE service territory, its generation output would not be settled with PJM for BGE, providing no monetary value for BGE to pay the applicable CSEG subscribers. Additionally, standard offer services energy offset by the subscriber's utility would not match the generator's location pricing, complicating the protocol development further.

Given these very significant concerns, BGE respectfully requests an unfavorable committee report for *House Bill 1233*.

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.

Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281