



FREDERICK COUNTY GOVERNMENT

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HB 1036 – Public Utilities – Generating Stations-Generation and Siting (Renewable Energy Certainty Act)

DATE: February 26, 2025
COMMITTEE: House Economic Matters Committee
POSITION: Favorable with Amendments
FROM: Michael Wilkins, Director, Department of Development Review & Planning, Frederick County Government

As the Director of Development Review and Planning for Frederick County, I urge the committee to give **HB 1036 – Public Utilities – Generating Stations-Generation and Siting (Renewable Energy Certainty Act)** a favorable with amendments report.

As drafted, this bill will establish inadequate siting requirements for solar generating stations and energy storage devices and prohibit a local jurisdiction from applying a fair and equitable tax on solar developments. While the intent of this legislation is to streamline the approval process for ground-mounted solar facilities and energy storage devices, it fails to incorporate necessary protections for the health, safety, and welfare of our citizens.

Throughout the interim, I participated in meetings with solar industry representatives, state agencies, conservation organizations, and MACo to discuss and negotiate a predictable path forward for solar deployment that addressed all parties' concerns. By October, this group of stakeholders had developed a set of modest livability standards that promoted solar development, provided predictability to local jurisdictions and the solar industry, balanced solar deployment and land preservation goals, and safeguarded our rural communities and public processes. As a result of many stakeholder meetings and input from state agencies and industry experts, this ad hoc workgroup had reached a policy consensus.

The language in HB 1036 falls short of the compromises we agreed to a few months ago. The bill significantly reduces setback requirements from property lines, provides insufficient landscape buffering and screening requirements that are instrumental to prevent negative impacts to scenic areas, parks, and historic sites, lacks comprehensive decommissioning standards, ignores a compromise to hold a community meeting prior to application, and excludes a preservation fee that was accepted by the solar representatives as a means to balance the development of preservation areas with supporting Maryland's land preservation goals.

This bill also includes the same inadequate solar siting standards for siting energy storage systems. Maryland currently offers little guidance on appropriate siting and safety standards for energy storage systems. These facilities raise significant public safety concerns and questions, including:

- What is a safe distance between an energy storage facility and a residential structure?
- What building, electrical, and fire codes should be applied to ensure these facilities are safely constructed and maintained?
- Are our emergency service facilities properly equipped, and our personnel adequately trained to handle an emergency situation at an energy storage facility?
- Is a single siting standard, especially one modeled after ground-mounted solar, an appropriate approach for all types (thermal, electrochemical, hydrogen-based, etc.) and scales of energy storage systems?

This bill also reduces the PSC application notification period. COMAR 20.79.01.05 currently requires an applicant to notify the local jurisdiction at least 90 days prior to applying to the PSC. This advance notice provides the local jurisdiction time to review the application and work with the applicant to address concerns before a formal application is submitted. This bill proposes to eliminate this advanced review opportunity and replace it with a notification at the time the application is filed with the PSC. This proposed language provides less transparency than the current requirement and will lead to additional, and often unnecessary, testimony and appeals by the local jurisdictions and community members to resolve concerns that could otherwise be addressed prior to the submission of the application.

Finally, this bill proposes to preempt local tax authority by prohibiting personal and real property taxes unless a jurisdiction agrees to a maximum \$5,000/KW payment in lieu of taxes agreement. Frederick County estimates that this provision will cost \$750,500 annually just on the currently approved solar projects. This loss of revenue would increase as more solar projects receive approval. The reduction in tax revenue proposed by this bill could not come at a worse time for local jurisdictions.

Frederick County is proud to continue working towards meeting Maryland's renewable energy goals and has invested significant time and resources towards increasing the development of renewable energy throughout our community. We have relaxed our Zoning regulations to streamline the approval process for utility-scale solar and process solar facilities below 5MW as permitted uses with a Staff-level approval process. Our Division of Energy and Environment is currently working with consultants on a Solar Blueprint siting study to expand the County's renewable solar energy capabilities while safeguarding other land use priorities and mitigating the unintended impacts that these facilities can sometimes have. Frederick County Government is a committed partner in the effort to meet the State's renewable energy commitments. However, we must ensure that renewable energy development is done in a measured way, protecting our livability standards and ensuring the safety of our citizens.

While we are disappointed that the compromise legislation developed during the interim has been abandon, the amendments proposed by MACo help to alleviate county concerns with HB 1036 by establishing common sense siting standards, providing appropriate public engagement standards, pausing preemptive siting regulations on energy storage systems until the PSC establishes safe development standards, and recognizes the importance of studying the impacts of solar development on prime farmlands.

Thank you for your consideration of HB 1036. Frederick County supports renewable energy, and we want to be a partner in achieving the State's clean energy goals. Therefore, I urge you to advance this bill with the amendments proposed by MACo.