

**Friday, February 28, 2025**

**TO:** Brian Feldman, Chair of the Senate Education, Energy and Environment Committee; C. T. Wilson, Chair of the House Economic Matters Committee; and Committee Members

**FROM:** Michelle Dietz, The Nature Conservancy, Director of Government Relations; Cait Kerr, The Nature Conservancy, State Policy Manager

**POSITION:** Support with Amendments SB 931/HB 1036 Public Utilities - Generating Stations - Generation and Siting (Renewable Energy Certainty Act)

The Nature Conservancy (TNC) supports with amendments SB 931/HB 1036 offered by Senator Feldman and Delegates Wilson and Crosby. The Renewable Energy Certainty Act seeks to define regulations around solar energy generating facilities and energy storage devices to be consistent with the other energy generating facilities as set by the Maryland Public Service Commission (PSC). It also defines a community solar crediting program to provide direct benefits to consumers of solar energy in the state and creates consumer and safety standards for rooftop solar installation. SB931/HB 1036 aims to advance solar energy generation expansion in the state and bring Maryland closer to our economy-wide clean energy generation goals.

The Renewable Energy Certainty Act establishes compliance requirements for new solar energy generation facilities that create more than 2 megawatts of electricity and energy storage devices of 100 kilowatts of storage. In line with other energy facilities, construction of new solar facilities and energy storage devices will require approval from the PSC and must receive certificates of public convenience and necessity. The legislation defines pathways for working with local governments, landowners and state representatives as well as defining additional requirements if facilities are in overburdened and underserved communities. SB 931/HB 1036 will also prevent local jurisdictions from passing zoning laws that would prohibit constructing facilities that meet all requirements set forth in law. In order to meet our state's ambitious clean energy goals, we will need to see increased investments in clean energy infrastructure. SB 931/HB 1036 sets reasonable and consistent standards for constructing new solar and storage devices, ensuring that both producers and consumers' interests are considered.

SB 931/HB 1036 will also allow for community solar programs to establish automatic enrollment that will permit residential customers to use credits from these programs to reduce their monthly electricity bills. For every unit of unsubscribed energy produced by a community solar installation, SB 931/HB 1036 allows this energy to be turned into banked bill credits and used by electric companies to reduce residential electricity bills. The automatic enrollment program process allows local governments to identify residents that may qualify for these programs and calls for at least 51% of these subscribers to be low to moderate income. With energy prices rising for consumers across the state, granting local customers the ability to receive electricity bill credits from community solar will alleviate financial burdens for those who need it most, while also incentivizing additional investments in these programs.

The Renewable Energy Certainty Act also ensures that buyers and lessees of rooftop solar installations are protected through installation and manufacturers' warranties for 5 years and instructs the PSC and the Maryland Energy Administration to develop technical safety and qualification standards for installing and maintaining these rooftop energy systems. By establishing these regulations, consumers have more protections when making the decision to buy or lease rooftop solar systems and can expect standardized service across the industry.

**TNC recommends amendment language to include provisions from the Abundant Affordable Clean Energy (AACE) Act (SB 316/HB 398) within this legislation.** The AACE Act’s proposed pathway brings on new energy projects that will serve Maryland's load requirements within this decade on a least-cost basis, while allowing flexibility to respond to potential shifts in future energy markets through rapid, low-cost, and flexible solutions. Specifically concerning Maryland’s historic REC and SREC incentives, which have been a powerful tool to jumpstart renewable generation in the state, but the “one-size-fits-all” approach often results in incentives that are mismatched to specific projects’ needs. **Within SB 931/HB 1036, TNC requests including the SREC-II and REC-II provisions of the AACE Act.** These provisions will ensure that individual clean energy projects can receive the incentives they need to come online, while also preventing unneeded incentives from being passed through to ratepayers. **TNC also requests that SB 931/HB 1036 be amended to maximize the inclusion of all clean energy pathways available to our state and include battery storage in the legislation.** Energy storage can be built faster to address our supply and demand challenges within a shorter time frame.

Our state must move swiftly to meet growing energy demands, as well as our climate commitments and public health obligations. SB 931/HB 1036 is one step, in a series of actions toward a secure and clean energy future for Maryland. The Nature Conservancy commends Senator Feldman and Delegates Wilson and Crosby for introducing this legislation.

**Therefore, we urge a favorable report on SB 931/HB 1036.**