



February 26, 2025

The Honorable C.T. Wilson
Chair, House Economic Matters Committee
6 Bladen St.
Annapolis, Maryland 21401

**RE: HB1036: Public Utilities - Generating Stations - Generation and Siting
(Renewable Energy Certainty Act)
FAVORABLE WITH AMENDMENTS**

Dear Chairman Wilson and Members of the Committee,

On behalf of the Maryland Rooftop Solar Coalition (MRSC), we appreciate the opportunity to provide testimony in support with amendments of House Bill 1036 (cross-filed with Senate Bill 931). MRSC is a coalition of companies operating in Maryland with a shared commitment to advancing the State's clean energy goals through the installation and operation of customer-sited solar energy systems. We commend the bill's intent to establish essential consumer protections in the sale, lease, and installation of these systems and offer several recommendations to enhance its effectiveness.

With over 950MWs installed, residential solar accounts for over 40% of the deployed solar in our state. It is an integral part of our state's response to climate change, and particularly when paired with storage, can reduce strain on the grid from electrification. In other climate-leading states that have proper policy structures, residential rooftop solar also provides a cornerstone for building their clean energy economy, steadily deploying megawatts of solar each year. As with other home improvement industries, the jobs created by rooftop solar are inherently local, stable and family-sustaining.

Our testimony is focused narrowly on two items – the residential consumer protection provisions and the opt-out auto-enrollment program for community solar. We believe the consumer protection provisions in this bill will help to further consumer confidence in the market. Our proposed amendments are intended to clarify, and in some cases strengthen, certain provisions in the bill.

Regarding the opt-out auto-enrollment for community solar provisions, we believe it will create undue roadblocks and unintentionally raise the cost of customers adopting rooftop solar.

The original intent and promise of community solar was to create an option for renters and other Maryland residents who couldn't put a physical solar system on their rooftops to choose to support the development of solar in the state. We support this goal of broader access and also the goal of streamlined access for LMI renters to community solar projects. However, as drafted,



this program would also auto-enroll customers who might be good candidates for rooftop solar systems. Rooftop solar allows customers to fully own or directly benefit from their system's financial incentives, rather than subscribing to an offsite project where they could not expect to receive the same level of economic return.

Customer acquisition costs are already a substantial cost for residential solar. Allowing local governments to create an incumbent solar provider where one didn't exist increases these costs, creating an unlevel playing field. It's a well known business principle that it's expensive to get potential customers to make a buying decision - by defaulting potential rooftop solar customers into an opt-out enrollment community solar program, a potential rooftop solar customer now has to make two decisions - the first one to unenroll from a solar option that has been blessed by their local government and the second to install a solar system on their home.

By prioritizing community solar for those without rooftop access and ensuring homeowners remain incentivized to install their own systems, Maryland can strike a balance between expanding solar adoption and maintaining the integrity of both rooftop and community markets.

Discussion of Proposed Consumer Protection Edits

1. Page 19, Line 21: Remove "Rooftop"

- The bill currently states: *"This section applies only to residential rooftop solar energy generating systems."*
- We recommend striking the word *"rooftop"* to ensure that the consumer protections extend to all residential solar energy systems, including ground-mounted solar installations. This amendment will provide uniform protections for all residential solar consumers, ensuring equitable access to safeguards regardless of system type.

2. Page 19, Line 23 and Page 20, Line 16: Add 'Installer' between "A Seller" and "or Lessor"

- The current language limits responsibility to a *"seller or lessor"*, which does not adequately capture the full range of entities involved in solar transactions.
- By adding the word *'installer'*, the bill more accurately assigns accountability to the entity responsible for the warranties and installation quality. Since the seller or lessor may not always be the same entity that installs or services the system, broadening this term ensures that the appropriate party is held responsible.

3. Page 20, Lines 1-3: Amend Language on Weather-Adjusted Production Estimates

- The bill currently requires sellers or lessors to provide an estimate of *"the minimum level"* of weather-adjusted energy production.
- We propose revising this to ensure greater accuracy and clarity: *"Inform the buyer or lessee of a reasonable estimate of weather-adjusted energy"*



production based on historical data and system performance characteristics that the buyer or lessee may expect from the system.”

- This revision more accurately reflects the industry standard for energy production estimates, which are based on historical data and system characteristics rather than an absolute minimum value.

4. Page 20, Lines 4-7: Strike Section (4) in its Entirety

- This section introduces requirements that are already addressed through existing federal and state licensing and safety standards. Specifically:
 - The **Maryland Home Improvement Contractors License**, issued by the Maryland Home Improvement Commission (MHIC), ensures that contractors are qualified to install solar systems.
 - **Occupational Safety and Health Administration (OSHA) standards** provide comprehensive safety training, covering critical areas such as fall protection and electrical safety.
- These regulations already ensure that installers meet rigorous safety and craftsmanship standards, rendering this section redundant. Striking this clause prevents unnecessary duplication of existing legal requirements.

5. Page 20, Line 8: Assign Oversight to the Maryland Home Improvement Commission (MHIC) Under Purview of The Department of Labor

- To ensure proper oversight of contractor compliance with federal and state safety standards, we recommend designating The Department of Labor as the responsible entity.
- The Maryland Home Improvement Commission (MHIC) is a subdivision of the Maryland Department of Labor that licenses home improvement contractors and salespersons. As MHIC already regulates home improvement contractors, this Department is best positioned to oversee compliance with safety and certification requirements.

6. Page 20, Lines 9-15: Focus on Certification Compliance Rather than Creating New Standards

- Rather than developing additional certification requirements, we suggest that the Maryland Home Improvement Commission conduct bi-annual compliance verification to confirm that all installers adhere to OSHA and MHIC licensing standards.
- Additionally, we propose the creation of a **new certification for individuals engaged in the sale or marketing of solar energy systems** to ensure ethical marketing and sales practices. This would provide an additional layer of consumer protection while leveraging existing regulatory frameworks for installer compliance.

Discussion of Proposed Auto-Enrollment Edits



1. Page 17, Lines 11 - 13: Restrict automatic enrollment subscribers to LMI utility customers who are not the owner of record of their dwelling.

- The bill currently allows all residential customers to be included on an opt-out basis - even customers who could be good candidates to install rooftop solar, thereby allowing a government entity to establish an incumbent provider where none was before.
- We recommend restricting the universe of eligible customers to LMI renters, thereby meeting the twin goals of streamlining access to LMI renters while also not adding additional costs and friction in the residential rooftop solar market.

We appreciate the Committee's commitment to strengthening consumer protections in Maryland's growing solar industry. We thank Chair Wilson for his leadership on these important issues and urge the adoption of these amendments to ensure the bill effectively balances consumer protection with regulatory efficiency as well as maintaining the integrity of both the community solar and rooftop markets. We look forward to supporting the passage of House Bill 1036.

Thank you for your time and consideration.

Respectfully submitted,

Katie Rever, IGS
Maryland Rooftop Solar Coalition

Cc: Rick Abbruzzese



Proposed Amendments

7-306.2

(O)(4)(1) AUTOMATIC ENROLLMENT SUBSCRIBERS MUST BE **LOW TO MODERATE INCOME (LMI) RESIDENTIAL CUSTOMERS WHO ARE NOT THE OWNER OF RECORD OF THEIR DWELLING**, INCLUDING CUSTOMERS RESIDING IN MULTIFAMILY DWELLING UNITS;

7-320.

(A) THIS SECTION APPLIES ONLY TO RESIDENTIAL ROOFTOP SOLAR ENERGY GENERATING SYSTEMS.

(B) A SELLER, **INSTALLER**, OR LESSOR OF RESIDENTIAL ROOFTOP SOLAR ENERGY GENERATING SYSTEMS SHALL:

(1) PROVIDE TO THE BUYER OR LESSEE A 5-YEAR FULL WARRANTY ON THE INSTALLATION AND COMPONENT PARTS OF THE SYSTEM;

(2) INCLUDE ANY MANUFACTURER'S WARRANTIES FOR ANY OF THE PRODUCTS OR COMPONENTS OF THE SYSTEM;

(3) INFORM THE BUYER OR LESSEE OF ~~THE MINIMUM LEVEL~~ **A REASONABLE ESTIMATE** OF WEATHER-ADJUSTED ENERGY PRODUCTION **BASED ON HISTORICAL DATA AND SYSTEM PERFORMANCE CHARACTERISTICS THAT THE BUYER OR LESSEE MAY EXPECT FROM THE SYSTEM.**; ~~AND~~

(4) ~~CERTIFY, IN WRITING, THAT INSTALLATION OF THE SYSTEM IS COMPLIANT WITH ALL FEDERAL, STATE, AND LOCAL LAWS REGARDING WORKMANSHIP AND THAT THE SOLAR PANELS, INVERTERS, RACKING SYSTEMS, AND ALL OTHER COMPONENTS MEET THE MINIMUM STANDARDS FOR PRODUCT DESIGN.~~

(C) ~~THE MARYLAND HOME IMPROVEMENT COMMISSION AND THE MARYLAND ENERGY ADMINISTRATION SHALL:~~



- (1) ~~DEVELOP TECHNICAL SAFETY STANDARDS FOR THE INSTALLATION AND MAINTENANCE OF RESIDENTIAL ROOFTOP SOLAR ENERGY GENERATING SYSTEMS.~~ **REQUIRE CONTRACTORS TO COMPLY WITH ALL APPLICABLE FEDERAL AND STATE SAFETY STANDARDS AND CERTIFICATION REQUIREMENTS, INCLUDING OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) STANDARDS AND HOME IMPROVEMENT CONTRACTORS LICENSES CERTIFY IN WRITING COMPLIANCE WITH LICENSES AND CERTIFICATIONS LISTED ABOVE IN (7-320 (C)(1)) ON A BI-ANNUAL BASIS; AND**

 - (2) ~~ESTABLISH MINIMUM QUALIFICATIONS FOR INDIVIDUALS INSTALLING AND MAINTAINING RESIDENTIAL ROOFTOP SOLAR ENERGY GENERATING SYSTEMS.~~ **CREATE A CERTIFICATE, BASED ON STANDARDS APPROVED BY A NATIONAL SOLAR INDUSTRY OR ACCREDITING ORGANIZATION, THAT IS REQUIRED FOR ANY PERSON ENGAGED IN THE SALE OR MARKETING OF SOLAR ENERGY GENERATING SYSTEMS.**
- (D) A SELLER, **INSTALLER**, OR LESSOR WHO VIOLATES THE REQUIREMENTS OF THIS SECTION SHALL PAY A FINE NOT EXCEEDING \$1,000 FOR EACH VIOLATION.