

TO:Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters CommitteeFROM:MEASUBJECT:HB 739 - Public Utilities - Solar Energy Generating Stations - Local ApprovalDATE:March 6, 2025

MEA Position: UNFAVORABLE

This bill would significantly limit the state's ability to lead in and regulate utility matters, shifting the responsibility for solar energy projects to local counties and municipalities.

House Bill 739 proposes that the progression of solar energy generating systems be determined incrementally at the local level. Such legislation regarding public utilities greatly undermines the state's decision-making authority, resulting in considerable obstacles to implementing, achieving, and effectively managing renewable energy initiatives in Maryland.

State authority over public utility matters has been established through various legal rulings against local zoning authorities, particularly through the principle of "implied preemption" outlined in Public Utilities Article § 7-207. This principle indicates that, while collaboration with local entities is encouraged for public utility projects, the state intends to maintain comprehensive control over these areas.

Multiple court cases, such as Washington County v. Perennial Solar LLC and Howard County v. Potomac Electric Power Co., have upheld the Legislature's intent for local governments to play a significant advisory role in the Certificate of Public Convenience and Necessity (CPCN) process. However, the Public Service Commission is granted exclusive jurisdiction for approvals.

For Maryland's energy policy to advance effectively, it is crucial that decision-making authority remains with the state, as it historically has. As the state faces growing resource adequacy challenges, requiring local approval for large solar projects would slow down an industry vital to the state's energy strategy. Robust local input paired with state decision-making strikes the appropriate balance in solar siting. Senate Bill 478 represents a significant obstacle to the government's efforts to achieve a cleaner Maryland. For these reasons, the Maryland Energy Administration (MEA) urges the committee to issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (<u>landon.fahrig@maryland.gov</u>, 410.931.1537).