



## Solar and Energy Storage Solutions to Close MD Energy Gap

### Bottom Line

- Revamp energy policies to prioritize in-state solar and energy storage capacity to maximize the grid benefits to MD energy consumers;
- Make Maryland less reliant on the flawed PJM structures by deploying more in-state clean energy and by reducing statewide peak demand versus business as usual;
- Create new, in-state clean capacity by using private capital to avoid higher ratepayer costs

### Part 1: Implement Large-Scale Competitive Procurements Quickly

---

Large-scale solar procurements: Start recurring large-scale solar procurements in Q4 2025 that would target deployment of at least 3 GW of new utility-scale solar by 2035. This could include nearly 1,700 MW that have existed the PJM queue or are in the near-term queue, as well as new projects. Competition should be based on REC pricing and/or energy pricing, with the cost of building systems borne by the developers, not the ratepayers. **[Increases in-state generation]**

Energy storage procurements: Implement a “front of meter” storage procurement process to be initiated in Q4 2025 for at least 1,600 MWh of energy storage projects. This can include over 1,600 MW of energy storage capacity without a path to be built unless they win this Maryland procurement process. Competition to award capacity-only contracts should be based on cost and project maturity to address near-term resource needs, with the cost of building systems borne by the developers, not the ratepayers. **[Deploys dispatchable capacity and lowers grid strain]**

### Part 2: Revamp Distributed Energy Programs to Prioritize Deployment

---

Transition period: Close the current solar/SREC program by the end of 2027 to new projects in a manner that protects existing projects, solar owners, and ratepayers, ensuring that those projects remain online and generating electricity. All of these projects are built with private capital, supported by the RPS/REC programs. **[Increases in-state generation and lowers net demand/grid strain]**

Create new distributed solar incentive program: This covers residential, commercial, and community solar projects. Program would administratively set REC incentives for new solar projects, set by the PSC, and under their discretion to revise on a going forward basis. This follows New Jersey’s policy model when they revamped their solar programs. This would deploy at least 3 GW of new distributed solar between 2028 and 2035. All of these projects would be built primarily with private capital, supported by this new program. **[Increases in-state generation and lowers net demand/grid strain]**

Create new distributed storage incentive program: This program would offer a grant to support deployment of dispatchable, firm distributed capacity. At least 1 GW of new energy storage capacity would be paired with existing and new distributed solar projects with the help of up-front incentives. Systems would then need to participate in grid services programs, as created by the PSC either through the implementation of 2024’s DRIVE Act or implementing recommendations from the Energy Storage Work Group. This would count towards the state’s 3 GW by 2033 energy storage mandate. **[Creates distributed dispatchable capacity and lowers grid strain]**