

TESTIMONY IN SUPPORT OF HB 827
Solar Energy – Distributed Generation Certificate of Public Convenience
and Necessity

House Economic Matters Committee
March 13, 2025

Chair Wilson, Vice-chair Crosby and Members of the Committee

Thank you for the opportunity to testify before you on HB 827: Solar Energy – Distributed Generation Certificate of Public Convenience and Necessity. This bill will establish the Distributed Generation Certificate of Public Convenience and Necessity (DG-CPCN), a new certification process required for constructing and operating solar energy projects (2-5 MW) in the State of Maryland. This new process is designed to streamline the development of renewable energy infrastructure while ensuring environmental protection and public safety.

What's the Problem That This Bill Fixes?

Two years ago, I sponsored legislation making the Community Solar Program (CSP) permanent in Maryland. Those projects are being implemented and we are poised to be a leader in that arena. HB 827 builds off the success of the CSP and serves to work in conjunction with that legislation. While we provided additional incentives in 2023 to build community solar on rooftops, brownfields, industrial zones and parking lots, the truth is, community solar will also need to be constructed on the ground.

According to the Power Plant Research Program (PPRP), which conducts the initial CPCN review, they are anticipating nearly 60 CSP applications in the next few months – just two years ago, PPRP reviewed only 7 CPCN applications. According to the Coalition for Community Solar Access (CCSA), which has polled its members, there are 130 more community solar projects under development that will require a CPCN application.

Under current law, 2-5 MW community solar projects must go through a CPCN process that was initially designed for large-scale power plants. For reference, the CPCN process was originally created through the Power Plant Siting Act of 1971 in response to concerns over the ability of the State to provide significant technical review of the impacts of the proposed Calvert Cliffs nuclear plant. However, this comprehensive review process does not make sense for smaller community solar projects which are usually sized between 2-5 megawatts. While the current CPCN review is valuable for ensuring high standards for new power plant projects, the rise in community solar projects may in fact overburden state agencies and developers with unnecessary roadblocks.

The Solution

HB 827 would require the Power Plant Research Program (PPRP) to develop standard siting and design requirements for community solar projects and submit it to the Public Service Commission (PSC). These requirements must be in line with the State's renewable energy commitments, incorporating environmental preservation, reasonable setbacks, landscape screening, and strict adherence to stormwater management, erosion control, and site stabilization. Additionally, these projects are required to ensure public safety, follow industry

best practices, and comply with specific licensing conditions previously established by the Commission for solar energy generating systems. This process would be developed in collaboration with local governments, agricultural interests, environmental advocates, and the solar industry. Once these regulations are adopted, DGCPNs will be issued after a review by the PSC.

HB 827 should work well with the Chairman's HB 1036, which would set certain siting standards for all solar projects. My legislation will likely lead to more stringent siting standards, which will be developed through a collaborative process with many stakeholders, in exchange for a more expedited path to obtaining a CPCN. If both HB 1036 and HB 827 pass, then community solar developers would have the choice to apply for a traditional CPCN under the new siting standards envisioned in the Chairman's bill or for a more expedited CPCN with more stringent siting standards under my bill.

The benefits of this bill are clear:

1. Streamlining the CPCN process for community solar projects will accelerate the deployment of clean energy, contributing to Maryland's climate and renewable energy goals.
2. By establishing clear, standardized requirements, we reduce uncertainty for developers and simplify participation for counties and interested parties, ultimately making the development process more efficient and predictable.
3. By facilitating the inclusion of more community solar projects that can serve low-and moderate-income families, we reinforce our commitment to equitable access to renewable energy.

HB 827 does not circumvent local governments or other interested parties, it includes them in the decision-making process as we seek to identify certain standards, based on stakeholder input and industry best practices, for these smaller power generating projects uniformly across all 24 jurisdictions. In fact, this bill with proposed amendments, which were developed with input from the PSC and PPRP, has the support of MACo, CCSA, CHESSA, SEIA, and the environmental community.

This bill will help guide solar development in Maryland and ensure that the community solar projects can be constructed in a timely manner so we can accomplish the equity, energy, and economic benefits promised by the legislation this body has already passed.

For these reasons, I am requesting a favorable report on HB 827, as amended.