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Senator Brian Feldman, Chair
Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

Written Testimony

SB983: Solar Energy - Distributed Generation Certificate of Public Convenience and Necessity, Ground-Mounted Solar, and Small Solar Siting Workgroup Position: Favorable

Chair Feldman, Vice Chair Kagan, Members of the Education, Energy, and the Environment Committee, thank you for the opportunity to testify on Senate Bill 983, Solar Energy - Distributed Generation Certificate of Public Convenience and Necessity, Ground-Mounted Solar, and Small Solar Siting Workgroup

I am Robin Dutta, the Executive Director of the Chesapeake Solar and Storage Association (CHESSA). Our association advocates for our over 100 member companies in all market segments across the solar and energy storage industries. Many members are Maryland-based. Others are regional and national companies with an interest and/or business footprint in the state. Our purpose is to promote the mainstream adoption of local solar, large-scale solar, and battery storage throughout the electric grid to realize a stable and affordable grid for all consumers.

I am here to provide favorable testimony on SB983, Solar Energy - Distributed Generation Certificate of Public Convenience and Necessity, Ground-Mounted Solar, and Small Solar Siting Workgroup. This bill would create a streamlined bureaucratic path for certain community solar projects, right-sizing the CPCN process for smaller projects that do not have the complex impacts that larger projects do.

The Problem: Maryland's Widening Energy Gap

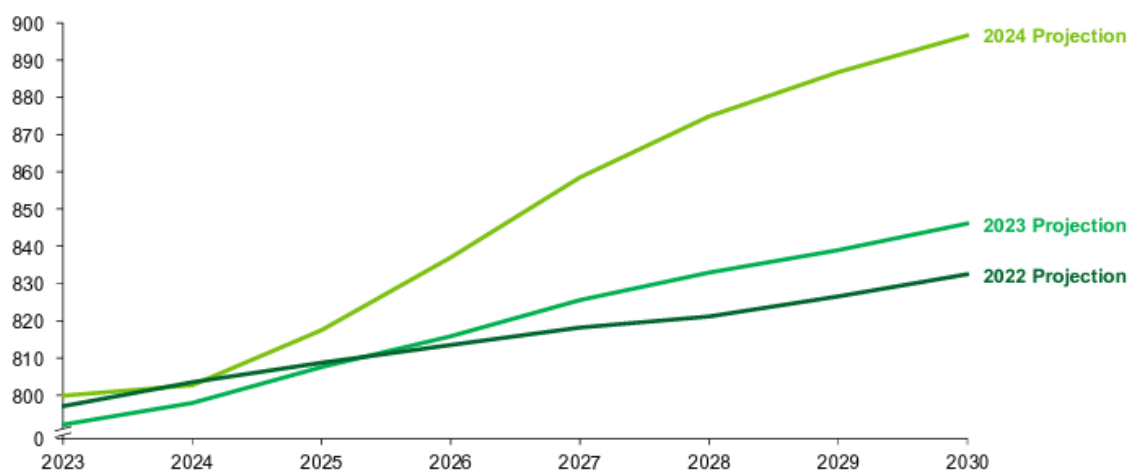
Marylanders are becoming much more sensitive to grid disruptions and electric price spikes. The state is on the path to seeing increasing electric demand over the long term. And, there is already straining in its electric system. Maryland only generates about 60 percent of the electric generation it demands¹. But, importing electricity isn't an automatic solution. Nine of the 13 states in the PJM Interconnection (where Maryland resides) also must import electricity to serve their electric demand. And the Maryland Energy Administration (MEA) is projecting load growth,

¹ <https://www.eia.gov/state/analysis.php?sid=MD>

potentially as much as 2 percent per year². There's growing demand and competition for an energy supply that needs to increase.

Contributing Problem: Higher Electric Demand Across the County

U.S. summer peak hour demand by year (2023-2030), GW



Source: NERC 2024 Electricity Supply and Demand data

The grid of the not-so-distant future will have the combined roles that today's electricity, natural gas system, and gas stations have. For the grid to serve those roles, it will need to look and act differently. It will have higher statewide electric loads, and greater electric demand in peak periods. And, the higher peak demand gets, the more expensive the electric grid becomes, due to expensive infrastructure expansion and higher peak energy pricing. By lowering peak demand, clean energy can lower the cost of the grid.

[A January 2025 report from the U.S. Department of Energy](#) shows that projected peak demand growth is only increasing, with electricity supply and demand data from the North American Energy Reliability Council showing the estimates being revised upwards each year since 2022.³ If Maryland's electric future follows the projected national trend, it needs to step up the clean energy build-out throughout the state at the same time as handling fossil fuel retirements. That means scaling up statewide solar adoption of all kinds, as soon as possible.

Layering on the problem are the faults within the PJM Interconnection, both with their capacity markets and their interconnection processes. The recent PJM capacity auction could cause electric bills in Maryland to increase as much as 24 percent, according to [an August 2024 report](#) from the Maryland Office of People's Counsel. The MEA describes the Baltimore Gas & Electric

² Maryland Energy Administration. "Reaching 100 Percent Net Carbon-Free Electricity in Maryland". January 2025. p.19

³ U.S. Department of Energy. "Pathways to Commercial Liftoff: Virtual Power Plants 2025 Update". January 2025. p.7

service area as a “congested territory”.⁴ There are then certain generating units that must run and can drive up capacity prices, as it happened in the most recent PJM capacity auction. The way to relieve congestion and grid strain is to lower peak demand, offset consumer electric load, and build a lot of new local generating capacity.

A Better Process

Maryland energy policy needs to reflect the urgency to deploy more in-state solar, not only to meet the solar-specific targets but because near-term solar deployments should be a major part of the strategy to grow in-state electric generation.

SB983 would re-align the PSC’s processes around the Certificate of Public Convenience and Necessity (CPCN) to evaluate certain smaller groundmount solar facilities greater more appropriately than 2 MW and up to 5 MW, such as community solar projects, under different rules than large-scale renewables. The CPCN process was originally conceived for large power plants and energy infrastructure siting, permitting, and approvals well before Maryland embarked on the clean energy transition. Community solar projects are not the size and scale of transmission lines or fossil fuel electric generation plants.

The project criteria creating this Distributed Generation CPCN for certain community solar projects would be decided through a stakeholder process at the Power Plant Research Program. It would be a consensus criteria that would be clear direction for project development. The industry would have clear guidance on how to design and develop projects in order to use this Distributed Generation CPCN.

Conclusion

Maryland solar needs to be built on homes, businesses, and on open land. SB983 allows the PSC process to better help this “all of the above” solar strategy.

CHESSA asks for a favorable report on SB983. Please reach out with any questions on solar and storage policy. CHESSA is here to be a resource to the committee.

Sincerely,

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⁴ Maryland Energy Administration. “Reaching 100 Percent Net Carbon-Free Electricity in Maryland”. January 2025. p.22