



Senate Bill 841

Date: February 26, 2026

Committee: Education, Energy, and the Environment

Position: Favorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Senate Bill (SB 841) authorizes the Public Service Commission to conduct a competitive energy credit reserve auction using certain Alternative Compliance Payment (ACP) funds associated with Tier 1 renewable energy credits, including solar. The bill is narrowly tailored, applying only to specified ACP balances, with the goal of accelerating the development of new renewable generation in Maryland.

SB 841 offers a pragmatic and responsible approach to addressing the accumulation of ACP revenues, which should be understood as *one-time funds* rather than an ongoing or predictable revenue stream. ACPs are not intended to function as an annual funding source, nor should they create long-term expectations for recurring expenditures. By authorizing a reserve auction mechanism, the bill appropriately treats these funds as non-recurring while ensuring they are put to productive use.

Importantly, the reserve auction structure contemplated in SB 841 enables capital to move more quickly into active project development. Under this approach, developers must demonstrate both available capacity and the level of financial support required to bring projects online. This accelerates deployment and allows funds to reach “steel in the ground” sooner than alternative concepts that would delay projects by several years. From the business community’s perspective, this speed to market matters, not only for meeting near-term generation needs, but also for stimulating economic activity, job creation, and private investment across the state.

The bill also provides a sensible interim solution as the General Assembly continues to evaluate and fine-tune Renewable Portfolio Standard (RPS) percentages. Rather than allowing excess ACP funds to sit idle while those broader policy discussions continue, SB 841 ensures that available resources are used efficiently and transparently to advance renewable generation now.

Finally, to the extent ACPs represent overpayments by ratepayers, directing those dollars back into timely, in-state generation projects helps close the loop in a way that benefits Maryland's economy and energy system alike.

For these reasons, the Chamber respectfully requests a **favorable report** on **SB 841**.