



Maryland Energy Administration

TO: Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee
FROM: MEA
SUBJECT: SB 966 - Public Service Commission - Net Energy Metering - Successor Program
DATE: March 12, 2026

MEA Position: FAVORABLE WITH AMENDMENTS

The Maryland Energy Administration (MEA) respectfully submits this letter of support with amendments for Senate Bill 966.

SB 966 establishes a framework for the development of a successor program to Maryland's existing net energy metering program. As Maryland approaches the current 3,000 MW cap, thoughtful planning for the next phase of distributed generation policy is both prudent and necessary to provide certainty to customers, developers, utilities, and ratepayers.

Net energy metering has been foundational to the growth of distributed solar and other clean energy resources in Maryland. It has supported residential, commercial, agricultural, and community solar deployment across the State while contributing to grid resilience, customer savings, and progress toward Maryland's climate goals.

MEA supports the bill's directive that the Public Service Commission develop a successor program that incentivizes distributed generation, minimizes short- and long-term ratepayer costs, and balances fair compensation with grid needs and energy equity considerations. These principles appropriately recognize that distributed generation provides system benefits, including reduced line losses, peak demand mitigation, and localized energy production, while also requiring a careful evaluation of cost allocation and grid maintenance responsibilities.

MEA also supports amendments to clarify that customer-generators with an existing contract retain the ability to reserve capacity under the existing net energy metering framework during the transition to a successor program.

MEA recommends a mechanism whereby community solar generators could reserve capacity under the current net metering scheme until the 3,000 MW cap is reached. The ability to reserve capacity is particularly important for the community solar industry, and these projects involve multi-year development timelines, significant upfront interconnection and permitting costs, responsible subscriber acquisition processes, and financing structures that depend on predictable compensation mechanisms. A clear reservation pathway minimizes uncertainty during the transition period that would otherwise delay

projects, constrain financing, and ultimately slow deployment - particularly for projects serving low- and moderate-income subscribers.

For these reasons, MEA respectfully urges a **favorable report with amendments**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443.842.1780.