



Before the Maryland Senate Education, Energy, and the Environment Committee
SB 966 – Public Service Commission – Net Energy Metering – Successor Program

March 12, 2026

The Honorable Brian J. Feldman, Chair
The Honorable Cheryl C. Kagan, Vice Chair
Senate Education, Energy, and the Environment Committee

Position: Favorable with Amendments

Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Thank you for the opportunity to provide written testimony on Senate Bill 966, *Public Service Commission – Net Energy Metering – Successor Program*. Ameresco respectfully offers favorable testimony with amendments.

Ameresco is a leading developer of community solar projects in Maryland, with approximately 46 megawatts (MW) of projects either operating or in development across the state. These projects serve Maryland residents, businesses, and public-sector customers while providing locally generated renewable energy that helps stabilize long-term electricity costs for subscribers.

Ameresco appreciates the General Assembly's focus this session on energy affordability and reliability, and we thank Chair Feldman, the Speaker of the House, and members of the General Assembly for their continued leadership on Maryland's energy policy. Distributed solar generation plays an important role in addressing these challenges by providing locally produced electricity that can be deployed quickly and financed largely through private investment.

Maryland ratepayers are currently facing significant upward pressure on electricity costs. These pressures are being driven by several regional factors, including rising capacity prices in the PJM wholesale market, growing electricity demand, transmission infrastructure investment, and the retirement of existing generation resources. In this environment, locally developed distributed generation can help mitigate costs by adding new supply close to where electricity is consumed while reducing reliance on imported electricity.

Community solar and distributed generation resources also provide an important benefit to Maryland's energy system because they can be planned, permitted, and constructed much faster than most other generation resources, allowing new capacity to be added to the grid in response to rising demand.

For these reasons, it is critical that the transition to a net metering successor program be reasonable, transparent, and predictable. The existing 3 gigawatt net metering cap has allowed developers, investors, and landowners to make long-term investments in projects across the state.

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Today, hundreds of megawatts of distributed solar capacity are currently under development within the existing program. These projects have made substantial financial and development investments based on the expectation that the current framework would remain available as projects progressed through the normal development cycle. Sudden or unstructured changes to the program could unintentionally disrupt these investments and delay projects that are already moving through the development pipeline.

In addition, developers have worked diligently and in good faith with utilities through the interconnection process, which is often complex and time-consuming. Many projects have experienced interconnection study timelines and upgrade requirements that extend beyond initial expectations. These delays are outside the control of developers but can affect whether otherwise mature projects are able to reach development milestones before policy changes take effect.

Proposed Amendments

Ameresco supports the development of a successor net metering program but believes the legislation should ensure a predictable glide path that protects projects currently in development while allowing Maryland to evolve its policies over time.

To achieve this, Ameresco respectfully recommends the following amendments:

Safeguard Existing and Under-Development Solar Capacity

Projects that are currently operating or under development were financed based on the existing net metering framework and the statutory 3-GW cap. Protecting these investments will ensure that projects already in the pipeline can continue delivering energy savings and grid benefits to Maryland ratepayers.

Implement a Transparent Transition

Projects that have made significant development progress—such as securing site control, initiating the interconnection process, or obtaining key permits—should retain access to full retail net metering. Establishing clear transition criteria will help prevent speculative applications while honoring legitimate investments already underway.

Establish Achievable Development Milestones

Eligibility for transition treatment should be based on milestones that developers can reasonably control, such as submission of a completed interconnection application or achievement of mechanical completion. Milestones dependent on actions by third parties—such as utility study timelines or commercial operation dates—should not inadvertently disqualify otherwise mature projects.

Utilize a Public Service Commission–Led Valuation Process

The Maryland Public Service Commission should lead the process of determining the long-term value of distributed solar and storage resources. A structured valuation process will ensure that the successor program appropriately reflects the real-world grid, reliability, and environmental benefits provided by these resources.

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By adopting these amendments, Maryland can ensure a fair and durable transition to a successor net metering program that protects existing investments while allowing the state to continue expanding access to locally generated clean energy.

A thoughtful transition will allow Maryland to maintain confidence among the companies and investors that are building the state's clean energy infrastructure while ensuring that ratepayers continue to benefit from affordable, reliable, and locally produced electricity.

Ameresco looks forward to continuing to work with the General Assembly, the Administration, utilities, and other stakeholders to support policies that expand access to affordable clean energy while protecting Maryland ratepayers.

Thank you for the opportunity to provide this testimony.

Respectfully submitted,

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