



SB 843 – SUPPORT

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**TESTIMONY SUPPORTING SB 843
Net Energy Metering, SUNRISE Program, and
Community Solar Energy Generating Systems Program (SUNRISE Act)**

Senate Education, Energy, and the Environment Committee

March 12th, 2026

Dear Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and Environment Committee;

Ceres is a nonprofit organization working with the business and investor community to build a sustainable economy. Our network of companies, investors, and capital market influencers works to accelerate the adoption of sustainable business practices and cleaner energy markets. Through our Business for Innovative Climate and Energy Policy Network (BICEP), we assist over 80 major employers, including several companies doing business in MD, to advocate for more affordable and sustainable climate and clean energy policies. Ceres submits the following testimony in strong support of Senate Bill 843, the SUNRISE Act.

Investment Certainty Requires a Durable Successor to Net Energy Metering

Maryland's net energy metering (NEM) program has been a foundational market signal for distributed solar investment, enabling [billions](#) of dollars in private capital deployment across residential, commercial, and community-scale projects. As the state approaches its 3,000-megawatt statewide capacity limit, the absence of a clearly defined successor program creates material investment risk. Developers, lenders, and institutional investors cannot underwrite projects without confidence that compensation frameworks will remain viable post-cap.

SB843 directly addresses this market uncertainty by requiring the Public Service Commission to establish the SUNRISE Program, a value-of-solar compensation framework. The bill specifies that compensation must include, at minimum, baseline

Standard Offer Service rates plus avoided distribution costs, ancillary services, demand reduction price effects, reliability benefits, and emissions value. This multi-factor methodology aligns distributed energy compensation with actual grid value, providing a rational pricing framework that investors and project financiers can underwrite. By establishing clear statutory timelines and substantive compensation floors, SB 843 preserves Maryland's position as a competitive market for distributed energy investment.

The Capacity Reservation System Protects Mature Capital Commitments

Among the most significant business-relevant provisions in SB 843 is the creation of a standardized statewide capacity reservation system for projects that have met material development milestones but are not yet operational. Under current law, projects that have executed interconnection agreements, paid deposits, secured site control, and obtained permitting approvals risk losing access to NEM compensation if the statewide cap fills before they reach operation.

This creates a structural problem for project finance: lenders and tax equity investors require certainty that compensation will be available at commercial operation. SB 843 resolves this by requiring electric companies to automatically accept capacity reservations for mature projects meeting defined interconnection milestones, and counting those reservations against the statewide cap on a first-come, first-served basis.

The bill further requires the Commission to establish uniform interconnection timelines, deposit standards, and a waitlist mechanism, eliminating the inconsistent utility-by-utility practices that currently generate regulatory delay and investor uncertainty.

This framework reduces the stranded investment risk that discourages project finance into Maryland's distributed generation sector, and ensures that capital committed under existing market rules is protected as the State transitions to the SUNRISE Program.

Transparent Capacity Tracking Enables Informed Investment Decisions

SB 843 requires the Commission to publish and maintain a statewide net energy metering capacity tracker beginning October 1, 2026, updated at least monthly. This tracker will identify total operational NEM capacity, remaining headroom before the statewide limit, and all capacity reservations and associated project deadlines. This disclosure infrastructure is directly responsive to a longstanding barrier to capital deployment:

developers and investors currently lack consistent, real-time visibility into remaining NEM availability, creating project pipeline risk.

Conclusion

SB 843 delivers what Maryland's distributed energy market most urgently needs: a credible, time-bound transition to a successor compensation program, a structured mechanism to protect mature capital investments, and administrative reforms that expand market access without increasing developer burden. These are foundational market design elements that determine whether private capital continues to flow into Maryland's clean energy economy. I urge the Committee to report SB 843 favorably.

Respectfully submitted,

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