



February 24, 2026

RE: Senate Bill (SB) 841: Maryland Energy Administration – Renewable Energy Generation Projects – Alternative Compliance Fee Auctions – Favorable

Chair Feldman, Vice Chair Kagan and members of the Senate Education, Energy, and the Environment Committee:

Introduction: Thank you for the opportunity to submit written testimony in support of HB 841. Chaberton Energy is a Maryland-based distributed energy developer focused on community solar and storage. A public benefit corporation, Chaberton is one of the largest developers in the Maryland Community Solar Energy Systems (“CSEGS”) Program. Chaberton has over 200 Megawatts of community solar, commercial solar, and storage in active development here in Maryland. With a total development pipeline of more than one Gigawatt and over 100 Megawatts of projects completed, Chaberton is one of the fastest growing energy companies in the nation, ranked 53rd on the 2025 and 34th on the 2024 Inc. 5000 lists.

Background: Senate Bill 841 directs the Maryland Energy Administration, in consultation with the Public Service Commission, to utilize funding created by Alternative Compliance Payment (“ACP”) fees paid into the Maryland Strategic Energy Investment Fund (“SEIF”) to conduct a competitive, low bid auction to support the development of in-state renewable energy projects. It further outlines that funding received from SEIF through ACP Fees shall only be used to bid awards under this program.

Comments: Chaberton supports the creation of this ‘reverse auction’ style bid program to support in-state renewable energy projects. By utilizing a ‘reverse auction’ mechanism, the State can focus on delivering the most amount of renewable energy generation at the lowest cost, providing for the most efficient and cost-effective way to meet Maryland’s in-state energy generation goals. As designed, this auction creates a simple and impactful opportunity for projects to utilize ACP funding. There may be many reasons why a project needs to utilize this funding mechanism, such as high interconnection costs and the risks created by the federal uncertainty on tax credits. Furthermore, this program does not necessitate the upending of the entire fundamental market structure of the current REC program but rather focuses on delivering targeted support to projects that will lead to more in-state generation.

It is important that this legislation ensures that funding received through ACP fees is utilized only for the purpose of supporting in-state generation. This funding has at times been used to shore up other budgetary line items in the State. Furthermore, the current programs utilizing this ACP Fee funding have unfortunately not been working; the private development industry has not taken advantage of the programs this funding has historically been used for. Chaberton believes this program will deliver on its intended goal of more in-state renewable generation at the lowest cost.

Conclusion: For the reasons stated above, Chaberton strongly supports SB 841 and respectfully requests a favorable report. Thank you for your time and consideration. Please do not hesitate to reach out should the Committee have any questions.