



March 25, 2026

Senator Brian Feldman, Chair
Senate Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

Written Testimony

HB 1532: Utility RELIEF (Reducing Energy Load Inflation for Everyday Families) Act

Position: Favorable with Amendments

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

Thank you for the opportunity to testify “favorable with amendments” on HB 1532. My name is Scott Elias, and I am the Director of Policy and Market Development at CleanCapital, a leading independent power producer that develops, owns, operates, and invests in distributed solar and energy storage projects across the United States. I also serve as Vice President of the Chesapeake Solar & Storage Association (CHESSA) and as Co-Chair of SEIA’s Mid-Atlantic Committee.

CleanCapital has invested more than \$1.5 billion in clean energy projects serving corporations, municipalities, universities, schools, hospitals, utilities, and community solar subscribers. In Maryland, we own and operate 20 projects totaling more than 26 megawatts, with more than a dozen additional projects in construction or development. Many of these projects will participate in Maryland’s community solar program, delivering savings to low- and moderate-income ratepayers across the state.

Maryland is at an important moment in its energy transition, and we appreciate the legislature tackling energy affordability and proactively considering how distributed solar projects and net metering can best deliver benefits to the grid and Maryland ratepayers.

For more than a decade, net metering has helped drive the growth of distributed solar across the state—supporting thousands of megawatts of deployment, attracting significant private investment, and enabling programs like community solar that provide direct bill savings to Maryland residents.

As the state approaches its 3,000-megawatt cap, it is both appropriate and necessary to consider how the program should evolve.

Markets mature, and policies must evolve alongside them.

The question before policymakers is not whether to reform net metering—but how to design that transition in a way that preserves affordability, maintains investment in new generation, and ensures distributed solar can continue to reduce costs for Maryland ratepayers.

It is worth remembering that the 3-gigawatt cap itself was not established decades ago — it was adopted by this legislature only a few years ago to send a clear market signal that distributed solar would play a meaningful role in Maryland’s energy future. Businesses and investors responded to that signal by deploying capital, advancing projects through interconnection and permitting, and building development pipelines around the expectation that the statutory framework would remain stable long enough for projects to move from concept to construction.

As a result, the success of this transition will depend on whether it is implemented in a way that avoids unintended consequences.

Energy infrastructure cannot be built on constantly shifting policy frameworks. CleanCapital is not only a project developer — we are also a long-term owner and capital provider to distributed generation developers across the country. Many Maryland projects currently under development are being financed with the expectation that institutional capital providers like CleanCapital will acquire and own them once operational. Regulatory uncertainty at the transition point between programs directly affects our ability — and the broader market’s ability — to commit capital to complete those projects.

We can live with forward-looking policy changes. What creates risk is changing the rules for projects that have already deployed real capital or are well advanced in development. If that occurs, projects will stall, financing will pause, and the result will be less new generation coming online—ultimately increasing costs for Maryland customers.

As a result, CleanCapital, consistent with the position of the Joint Solar Trades, would like to clarify several essential requirements for the final passage of HB 1532 to maintain market certainty, avoid retroactive impacts, and ensure the continued deployment and financing of community solar in Maryland:

1. **Avoid Retroactive Impacts to Investments Through Grandfathering of NEM 1.0:** Clearly establish in statute that operating projects and those that meet defined maturity requirements remain eligible for net metering for the life of the project, through decommissioning. This is necessary to protect investments already made and contracts structured in reliance on current community solar program rules and existing law.
2. **Clarify NEM 1.0 Eligibility Based on Project Maturity:** Establish a date certain of no earlier than July 1, 2027 for community solar projects that (i) enter the CSEGS program queue under § 7-306.2 and (ii) pay the *initial* interconnection deposit to remain eligible for NEM 1.0, with less advanced projects—and projects that do not reach commercial operation within the PSC’s 36-month program deadlines, as opposed to a hard arbitrary deadline—transitioning to the successor program.
3. **Do Not Create Retroactive Utility Caps:** Create a reasonable, forward-looking growth limit in Potomac Edison and Delmarva Power service territories set at 150% of the existing community solar queues as of April 1, 2026. This ensures in-development projects can meet maturity requirements, rather than being stranded by retroactive utility-specific caps as the House proposed.
4. **Incorporate Low-and-Moderate Income Benefit Enhancements:** Incorporate the Joint Solar Trades proposal to create a community solar fund for low- and moderate-income

households through the Office of Home Energy Programs, providing direct and measurable bill relief.

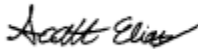
5. **Ensure Utility and PSC Transition Delays Don't Penalize Projects:** Ensure the PSC has authority to extend project deadlines where delays are caused by utility interconnection processes or other factors outside a developer's control.
6. **Successor Program Valuation Framework Improvements:** Incorporate language from HB 1195/SB 843 directing the PSC to establish the successor net metering program based on pass-through generation and transmission costs, plus a Commission-determined value of distributed energy to the grid.

By adopting these amendments, Maryland can ensure distributed solar continues to lower energy costs for families and businesses while maintaining a stable and investable market. Without them, financing will stall, development will pause, and the ability for community solar to provide direct bill savings to Maryland residents will be compromised—ultimately increasing costs for Maryland ratepayers.

CleanCapital stands ready to continue investing in Maryland and supporting projects that deliver reliable, cost-effective energy to communities across the state. Clear transition rules will allow capital to continue flowing into projects already under development and ensure Maryland remains a leader in distributed clean energy. We respectfully urge the Senate to incorporate these proposed amendments going forward.

Thank you for the opportunity to testify.

Respectfully submitted,



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