



26 February 2026

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

Written Testimony

SB669: Small Solar Energy Generating System Incentive Program – Eligibility and Generating Capacity

Position: Favorable with Amendments

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee, thank you for the opportunity to testify “favorable with amendment” on SB 669, Small Solar Energy Generating System Incentive Program – Eligibility and Generating Capacity.

I am Robin Dutta, the Executive Director of the Chesapeake Solar and Storage Association (CHESSA). Our association advocates for our member companies who represent all market segments across the solar and energy storage industries. Many members are Maryland-based. Others are regional and national companies with an interest and/or business footprint in the state. Our purpose is to promote the mainstream adoption of local solar, large-scale solar, and battery storage throughout the electric grid to realize a stable and affordable grid for all consumers. We are the regional affiliate of the national Solar Energy Industries Association.

I am here to provide “favorable with amendment” testimony on SB669. This legislation would extend a reform passed in 2024 in the solar carve-out program as part of the Brighter Tomorrow Act. At the time, this policy was meant to create a short-term solution to imbalances in the program, notably differentiate the effective values of Solar Renewable Energy Credits (SRECs) for certain system types. We appreciate the hard work of this committee and the entire General Assembly to support the solar industry at that time, with such an urgently needed policy. However, we do believe that it is time to move on from this short term solution and instead shift to a permanent fix that is calibrated to maximize new solar growth over the medium and long term.

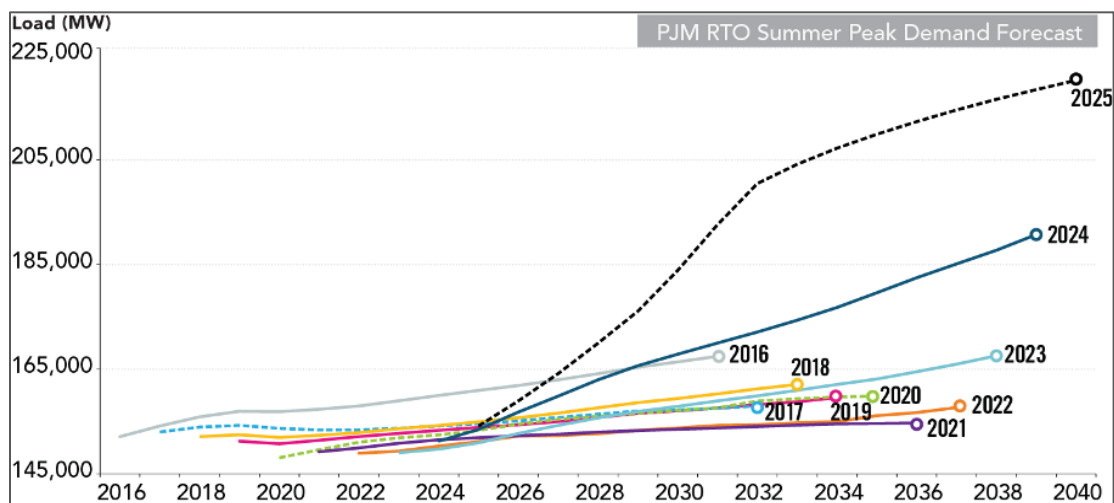
Maryland desperately needs more in-state generation to avoid record high prices coming from the regional grid operator, PJM. Solar is the only new generation coming online in Maryland. The industry needs long-term business certainty for companies, signaling that Maryland is where solar companies should be doing business, now and in the years to come.

A Long-Term Problem: The Increasing Energy Deficit Makes Prices Go Up

Marylanders are becoming much more sensitive to grid disruptions and electric price spikes. Electric demand is increasing. And there is already straining in its electric system. Maryland only



generates about 60 percent of the electric generation it demands¹. But importing electricity isn't an automatic solution because of the cost of new transmission and grid infrastructure that would be borne by the ratepayer. Nine of the 13 states in the PJM Interconnection (where Maryland resides) also must import electricity to serve their electric demand. There's growing demand and competition for an energy supply that needs to increase.



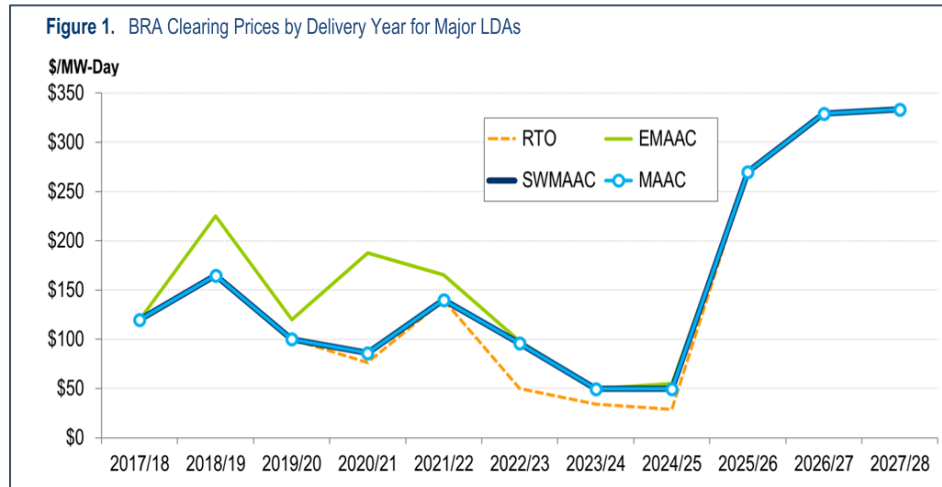
Source: Summer 2025 PJM Reliability Assessment

[A January 2025 report from the U.S. Department of Energy](#) shows that projected peak demand growth is only increasing, with electricity supply and demand data from the North American Energy Reliability Council showing the estimates being revised upwards each year since 2022.² If Maryland's electric future follows the projected national trend, it needs to step up the clean energy build-out throughout the state at the same time as handling fossil fuel retirements. Maryland has been experiencing energy inflation without demanding more electricity, but that is about to change. To prevent the problem from getting worse, scaling up statewide solar adoption of all kinds, needs to happen as soon as possible.

Layering on the problem are the faults within the PJM Interconnection, both with their capacity markets and their interconnection processes. The 2025/26 PJM forward capacity auction was calculated to increase as much as 24 percent by the Office of People's Counsel, according to [an August 2024 report](#). The 2027/28 PJM auction cleared at a higher value than the 2025/26 auction, making a bad trend even worse. That auction clearing price (\$333/MW-day) was a record high, despite an auction ceiling price, and the fear was that without the ceiling price, the auction results would have eclipsed \$500/MW-Day. A big reason was that there was not enough generation relative to the demand for electricity. As of today, there will be no ceiling price in the next capacity auction and the same supply dynamics.

¹ <https://www.eia.gov/state/analysis.php?sid=MD>

² U.S. Department of Energy. "Pathways to Commercial Liftoff: Virtual Power Plants 2025 Update". January 2025. p.7



Source: PJM 2027/28 Base Residual Auction Report

The latest report from the [Maryland Public Service Commission's 10-Year Plan for Electric Companies](#) shows Maryland's annual electric demand growth was revised upwards in their 2025 filings versus 2024³. That revision nearly doubles Maryland's anticipated annual load growth.

The capacity ceiling in the last auction will now extend through 2030, however there is no sign that the core issues plaguing PJM are diminishing, nor are the supply shortages contributing to these high prices. This long-term problem requires a long-term strategy to get more Maryland solar and storage capacity online.

Needing a Long-Term Solution

CHESSA appreciates the work of the bill sponsors and stakeholders supporting this legislation. We respectfully recommend that SB669 be conformed into SB341, the Affordable Solar Act, to be part of a long-term solution to deploy more solar and storage capacity in Maryland. We are a willing partner to help create a viable and sustainable Maryland solar industry that benefits all of Maryland. We look forward to working with the bill sponsors moving forward.

Sincerely,

Robin K. Dutta

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³ Maryland Energy Administration. "Reaching 100 Percent Net Carbon-Free Electricity in Maryland". January 2025. p.19