



# Maryland

## Energy Administration

**TO:** Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and Environment Committee

**FROM:** MEA

**SUBJECT:** SB 341 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

**DATE:** February 19, 2026

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### **MEA Position: LETTER OF INFORMATION**

The Maryland Energy Administration would like to acknowledge the long-standing leadership and sustained commitment of the bill sponsor to advancing forward-looking energy policy in Maryland. Over multiple sessions, the sponsor has consistently engaged on the complex issues of market design, affordability, and consumer protection that are necessary to ensure Maryland's clean energy transition is both durable and equitable.

The Affordable Solar Act (SB 341) aims to advance Maryland's clean energy and affordability goals by strengthening the State's solar policies in a way that supports advanced development, even in the face of federal uncertainty and the loss of federal tax incentives that were intended to help spur development. This bill incentivises additional solar generation by directing the Public Service Commission to implement structured, recurring procurements for solar. SB 341's procurement and program design ensures consistent mechanisms for SREC and SREC-II procurement, setting clear parameters for solicitations, contract terms, and performance requirements. Importantly, SB 341 includes provisions directing the Commission to balance market development with consumer impacts, including consideration of system benefits such as avoided capacity and transmission and distribution costs.

However, it is likely that the bill will result in increased costs to ratepayers, though MEA is unable to estimate the magnitude of those impacts at this time due to the sheer number of variables. The bill does mitigate those increased costs by redirecting the revenue supplied by Alternative Compliance Payments to an escrow account managed by the Public Service Commission. The bill further limits ratepayer impacts of the Administratively Determined Incentive created by the legislation to 5%. The likelihood that these measures would fully mitigate those costs remains in question. MEA believes the committee should consider these impacts before rendering its report.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy manager, at [megan.outten@maryland.gov](mailto:megan.outten@maryland.gov) or 443.842.1780.