SB0669_Small_Solar Energy_Generating_System_Incent
Uploaded by: Cecilia Plante
Position: FAV

TESTIMONY FOR SB0669
Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity

Bill Sponsor: Senator Harris
Committee: Education, Energy, and the Environment
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE

I am submitting this testimony in favor of SB0669 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

In order to meet the state's greenhouse gas reductions, we really need to get more solar into our grid as quickly as possible. Right now, in order to be eligible for certification under the SREC Program, a solar energy generating system must be placed in service by January 1, 2028. This bill will extend that date to January 1, 2031. Additionally, a current solar energy generating system must provide 250 megawatts for systems with a generating capacity of between 20 kilowatts and 5 megawatts. This limit is extended to 540 megawatts.

We strongly support this bill and recommend a **FAVORABLE** report in committee.

SB0669 Written Testimony.pdf
Uploaded by: David Simins
Position: FAV

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SB 669 – Small Solar Energy Generating System Incentive Program – Eligibility and Generating Capacity

Position: Support

Dear Chair Feldman,

Solar Landscape respectfully urges for a favorable report of SB669, which would extend and expand the Small Solar Energy Generating Incentive Program (SGI). SB669 extends the program's in-service deadline from January 1, 2028 to January 1, 2031 and increases the total in-state generating capacity for large eligible systems from 270 megawatts to 540 megawatts. These targeted adjustments build on the early success of the SGI and ensure continued deployment of commercial and industrial rooftop solar across Maryland.

Founded in 2012, Solar Landscape is a vertically integrated solar developer and national leader in community solar deployment. We focus on developing community solar projects on commercial and industrial rooftops using a roof-lease model in which we lease the rooftops of large warehouse and storage facilities to host solar installations that deliver power back to the grid through community solar in Maryland.

Maryland is a central part of our portfolio, and our work aligns directly with the state's clean energy and equity priorities. Currently our portfolio consists of 82 projects, 45 of which have energized and are already delivering clean energy to Marylanders. The other 37 projects are currently under development. All our current projects have been awarded funding under the Maryland Energy Administration's Community Solar LMI PPA Grant and are committed to providing at least 51% of energy produced to either low-income or low-to-moderate-income households. Solar Landscape is ranked the #1 Maryland Commercial Solar Contractor, reflecting our sustained investment in the state's community solar program.[1] We remain committed to helping Maryland meet its renewable energy targets and advance energy equity.

Value of Commercial Rooftop Solar

Commercial and industrial rooftop solar provides unique and irreplaceable value to Maryland's electric grid. These projects interconnect at the distribution level, meaning they avoid the PJM queue, saving years of delays. These projects face no zoning or siting opposition—they are built on existing infrastructure, located where electricity demand already exists. Unlike any other form of generation available to Maryland, these projects can be developed and constructed in 12 to 24 months. Due to this speed, the Brattle Group

[1] Solar Power World, 2025

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found that one gigawatt of commercial and industrial rooftop solar over the next 5 years would save Maryland ratepayers $300 million by reducing reliance on costly out-of-state power purchases, in addition to the guaranteed savings for subscribers. Commercial and industrial rooftop community solar is the most effective tool Maryland has to meet near-term rising demand and deliver immediate ratepayer savings.

The General Assembly explicitly recognized the unique value of commercial and industrial rooftop solar in 2024 through the passage of the Brighter Tomorrow Act and the creation of the Small Solar Generator Incentive Program (SGI). The SGI created a 1.5x SREC multiplier for systems 5 megawatts and smaller that are located on rooftops, parking canopies, brownfields, and other previously disturbed lands, provided they meet specified in-service deadlines.

Projects supported by the SGI typically face higher development costs, resulting in significantly slimmer margins compared to projects sited on greenfields or agricultural land. Commercial and industrial rooftop projects, in particular, lack the economies of scale of larger ground-mounted systems, face higher construction and structural upgrade costs, and require more expensive lease arrangements. While these projects are more complex and costly to build, those incremental costs are paid for by developers, not by the Maryland ratepayer. The SGI was an acknowledgement that these projects deliver unique value to the grid and ratepayer, and should be compensated accordingly, to ensure their continued economic viability.

SGI Performance and Impact

This program also helps utilities meet increasing RPS obligations more efficiently. Because credits from these projects carry a 1.5x multiplier, utilities can meet compliance targets faster with in-state generation and avoid additional Alternative Compliance Payments (ACP). Put simply, two RECs from a qualifying project effectively provide three credits toward compliance. That reduces reliance on penalty payments and instead translates compliance dollars into real projects connected to Maryland's grid.

The large project category, with a total allocation of 270 MW, is already 43 percent utilized. That represents 116.22 MW accredited under the program in just its first year. Those projects could generate as much as 225,000 RECs every year. With the 1.5x multiplier applied, that output counts as approximately 337,500 credits toward RPS compliance. Without the multiplier, utilities would receive credit only for the projects' actual REC production. At the 2027 solar Alternative Compliance Payment level of $35 per MWh, that 112,500-credit difference would translate to roughly $3.9 million in ACP payments annually if utilities were forced to make up the shortfall rather than receiving the benefit of the

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multiplier. The multiplier therefore provides measurable compliance value while ensuring ratepayer dollars support in-state solar deployment.

Need for Extension and Expansion

These targeted SGI changes, which extend the in-service deadline to 2031 and expand available capacity for large eligible systems, are necessary to preserve the momentum of the SGI and provide the certainty today's market requires. Extending the deadline to 2031 aligns the program with the end of the federal Investment Tax Credit, which developers are already racing to meet.

Commercial and industrial rooftop solar projects operate on 12- to 24-month development timelines. If a commercial and industrial rooftop solar lease is signed today, financing partners cannot be confident the project will be placed in service before the current January 1, 2028 expiration date, and they therefore underwrite projects as though the incentive will not be available. That is true even if that project ends up turning online prior to the expiration date and therefore qualifies for the SGI. That conservative assumption materially weakens project economics and slows deployment. Aligning the SGI sunset date with that of the federal Investment Tax Credit provides the multi-year certainty required to keep projects entering development today financeable.

Increasing available capacity for large systems is equally important. That category is already nearly 50 percent allocated in its first year and continues to see strong demand. As developers race to build projects before the federal Investment Tax Credit deadline, significant volume will likely be pulled forward into 2026. Without additional capacity, the program risks creating an artificial bottleneck just as the market is scaling, cutting off Maryland's ability to leverage federal Investment Tax Credit dollars while they are still available.

For these reasons, Solar Landscape strongly supports SB669 and respectfully requests a favorable report.

Sponsor Testimony for SB 669.pdf
Uploaded by: Kevin M. Harris
Position: FAV

KEVIN M. HARRIS
Legislative District 27
Calvert, Charles, and Prince George's Counties

Education, Energy, and the Environment Committee

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THE SENATE OF MARYLAND
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Sponsor Testimony for SB 669
Small Solar Energy Generating System Incentive Program – Eligibility and Generating Capacity
February 26, 2026

Chair Feldman, Vice-Chair Kagan, and Members of the Education, Energy, and the Environment Committee,

A functional electric grid incorporates diversified sources of energy generation to ensure the reliable, sustainable delivery of electricity. Solar electricity generation is a key component of Maryland's energy grid and is integral to meeting our climate and environmental goals.

At its core, SB 669 is about ensuring that solar projects remain a viable source of energy generation in the State of Maryland.

In 2024, the governor signed the Brighter Tomorrow Act, which created the Small Solar Energy Generating System Incentive Program, which sought to jumpstart the market by creating a 1.5x Solar Renewable Energy Credit (SREC) multiplier for solar generating systems that generate 5 megawatts or fewer located on rooftops, parking canopies, brownfields, and other disturbed lands.

Even though there is demand for the program and it has proven to be an effective incentive, the current structure is constrained. The Megawatt caps and the requirement that projects be energized by the existing deadline create significant pressure in the next two years.

SB 669 would increase the capacity for systems with a generating capacity of between 20 kilowatts and 5 megawatts from 270 to 540 megawatts.

Additionally, SB 669 would push back the date that eligible solar projects must be placed into service to be eligible for certification under the program from January 1, 2028, to January 1, 2031.

These two changes will ensure that Maryland can continue to offer stable, durable market conditions that support clean energy investment.

For these reasons, I request a favorable report on SB 669

NCS - MD - EEE Testimony SB0669 Favorable 2025.02.
Uploaded by: Nicole Rentz
Position: FAV

February 24, 2026

Education, Energy, and Environment Committee
Annapolis, Maryland

Written Testimony
SB0669: Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity

Position: Favorable

Thank you for the opportunity to submit testimony on Senate Bill 0669, the Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity. New Columbia Solar supports this bill.

The Commercial Rooftop Solar Market in Maryland

New Columbia Solar is a commercial rooftop solar developer with offices in Prince George's County, Maryland, and DC. We have been in business for 10 years, and specialize in installing solar on commercial, multi-family residential, industrial, and institutional building rooftops and parking structures (shortened here to "commercial rooftops" or "commercial rooftop solar"). The commercial rooftop market encompasses both net-metered and community solar, and we install both types. Most building owners, however, are unable to install net-metered systems under existing rules, so we find that roughly 80% of commercial rooftop installations are rooftop community solar systems.

The commercial rooftop market has enormous growth potential in Maryland, and there are several benefits that growing this market offers to the state, aside from the direct benefits to building owners and their tenants or subscribers. Solar systems located on commercial rooftops are sited *directly on top of load* in dense areas—exactly where solar power generation can provide the most benefit to ratepayers by eliminating distribution and transmission costs. They can also easily be paired with storage to manage peak load, providing even more benefits to the grid and ratepayers. Commercial rooftops are usually cheaper to build on a per-watt basis than single-family residential systems, having better economies of scale, while being much faster to develop than most groundmount systems, as they do not require CPCN approval. Further, commercial rooftops are already-developed sites that typically do not engender the local opposition that groundmounted solar on rural land sometimes does.

Despite these advantages, the Maryland commercial rooftop solar market was a "missing middle" in terms of both policies and installation rates for many years before the Brighter Tomorrow Act established the Small Solar Energy Generating System Incentive Program. Before this program, Maryland's approach to solar was a one-size-fits-all renewable portfolio standard, with residential systems receiving additional support through the Maryland Solar Access Program. This means a 100 kW system on an apartment building's roof received the same incentive as a 5,000 kW or system installed on an open field.

Effects of the Small Solar Energy Generating System Program

The Small Solar Energy Generating System Program was the first policy passed in Maryland to support commercial rooftop solar, and it was successful. We saw a shift in the types and sizes of buildings and customers we could provide solar for as soon as it was implemented, with the 1.5 solar renewable energy credit helping to offset construction costs and other market pressures. We are extremely grateful this program was passed and implemented, as it has made a real difference and allowed us to provide solar to significantly more customers than we otherwise could have. Importantly, this program comes at no cost to—and even provides some savings for—ratepayers, as the program leverages the significant headroom in the solar carve out of the renewable portfolio standard to provide an elevated credit to rooftop systems, reducing the gap for which alternative compliance payments must be paid by retail electric providers.

Most commercial rooftop solar systems have a 12-18 month development cycle, and as the Small Solar Energy Generating System Program requires a system to be installed by the end of 2027 to receive the elevated credit, the program is nearing the end of its life. **An extension of the deadline for the program and increase to the allowed capacity of participating commercial rooftop systems is needed to help Maryland keep up the elevated rate of commercial rooftop solar system installation it has seen since the program was established, bringing the benefits of clean energy to more Maryland building owners, community solar subscribers, and ratepayers.** It would also provide a much-needed boost to commercial rooftop solar businesses as we adjust to the full phase out of the federal solar tax credits in the year ahead. We urge you to pass this bill.

Sincerely,

Nicole Rentz
Director of Market Development and Policy
New Columbia Solar
nrentz@newcolumbiasolar.com

Testimony in support of SB0669 - Small Solar Energ
Uploaded by: Richard KAP Kaplowitz
Position: FAV

SB0669_RichardKaplowitz_FAV
02/26/2026
Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON SB#0669- POSITION: FAVORABLE

Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity

TO: Chair Feldman, Vice Chair Kagan, and members of the Education, Energy and the Environment Committee
FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#0669**, Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity**

This bill will increase the generating capacity of some in-state electric systems and extend the deadline for solar energy systems to be placed in service.

The total amount of in–State generating capacity for certified systems, as measured by the alternating current rating of the systems' inverters, under the Program 3 may not exceed:

- 300 megawatts for systems with a generating capacity of less than 20 kilowatts, as measured by the alternating current rating of the system's inverter

Increase from 270 to 540 megawatts for systems with a generating capacity of between 20 kilowatts and 5 megawatts, as measured by the alternating current rating of the system's inverter.

This bill will extend the deadline by which a solar energy generating system must be placed in service to be eligible for certification under the Small Solar Energy Generating System Incentive Program from January 1, 2028, to January 1, 2031; and increasing the total amount of in-State generating capacity for certain solar energy generating systems from 270 megawatts to 540 megawatts.

If solar energy is to be added in Maryland this bill will make the process and size of the contribution to our energy portfolio easier to obtain at higher megawatt measurements.

I respectfully urge this committee to return a favorable report on SB#0669.

SB669 - Small Solar Energy Generating System Incen

Uploaded by: Laurie McGilvray

Position: FWA

Testimony on: SB669 - Public Utilities - Small Solar Energy Generating System Incentive Program - Eligibility and Generating Capacity
Committee: Education, Energy & the Environment
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Richard Deutschmann
Position: Favorable with Amendments
Hearing Date: February 26, 2026

Dear Chair Feldman, Vice Chair Kagan, and Committee Members:

We are providing our testimony today in support with amendments of the main parts of SB669, to extend and strengthen the Small Solar Energy Generating System Incentive Program. The Maryland Legislative Coalition Climate Justice Wing is a statewide coalition of 32 grassroots and professional organizations focused on climate justice and we urge you to vote Favorable With Amendments on SB669. We thank Senators Harris and Brooks for their leadership on this bill.

Maryland is facing an affordability crisis, as utility bills continue to rise at a greater rate than inflation, with the burden falling especially hard on working class families. Concurrently, the Trump administration continues its assault on the lowest cost and fastest to develop sources of new electricity generation - solar energy and windpower.

SB669 directly addresses each of these issues, by making it easier and more cost-effective for residents and small businesses in the state to utilize solar energy to reduce their utility bills for decades to come, and incentivizing new commercial and industrial generation that will increase reliability, lower the wholesale cost of electricity in the region, and delay the need for expensive new transmission capacity in the state.

The bill makes two simple changes in the program, extending it out from 2028 to 2031, and doubling the cap for larger systems to 540MW. However, we are strongly supporting HB345/SB341, “the Affordable Solar Act”, and believe that this is the best vehicle for stimulating new clean energy generation in the state, and making energy costs more affordable for Marylanders. We would like to see SB669 amended to conform and be incorporated into SB341.

For these reasons, we urge a Favorable with Amendments report on SB669.

350MoCo
Cedar Lane Unitarian Universalist Church Environmental Justice Ministry
Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility
Climate Law and Policy Project
Climate Parents of Prince George's
Climate Reality Project
ClimateXChange
Coming Clean Network, Union of Concerned Scientists
DoTheMostGood Montgomery County
Echotopia
Elders Climate Action Maryland
Fix Maryland Rail
Glen Echo Heights Mobilization
Greenbelt Climate Action Network
HoCoClimateAction
IndivisibleHoCoMD
Maryland Legislative Coalition
Maryland Third Act
Mizrahi Family Charitable Fund
Mobilize Frederick
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Mountain Maryland Movement
Nuclear Information & Resource Service
Progressive Maryland
Safe & Healthy Playing Fields
Takoma Park Mobilization Environment Committee
The Climate Mobilization MoCo Chapter
Unitarian Universalist Legislative Ministry of Maryland

CHESSA - EEE SB669 Brighter Tomorrow Extension FAV

Uploaded by: Robin Dutta

Position: FWA

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.

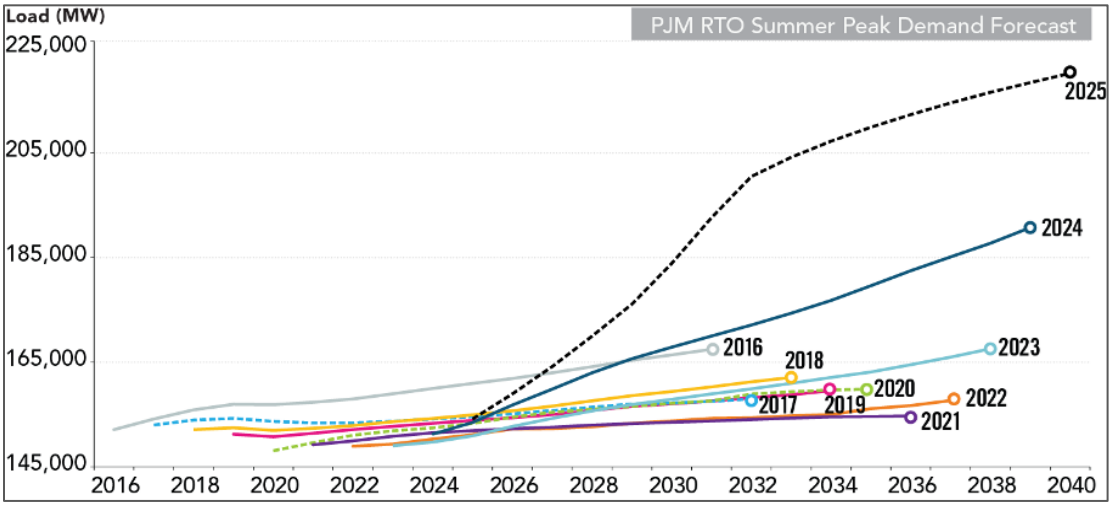
I am here to provide "favorable with amendment" testimony on SB669. This legislation would extend a reform passed in 2024 in the solar carve-out program as part of the Brighter Tomorrow Act. At the time, this policy was mean to create a short-term solution to imbalances in the program, notably differentiate 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 demands[1]. 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.



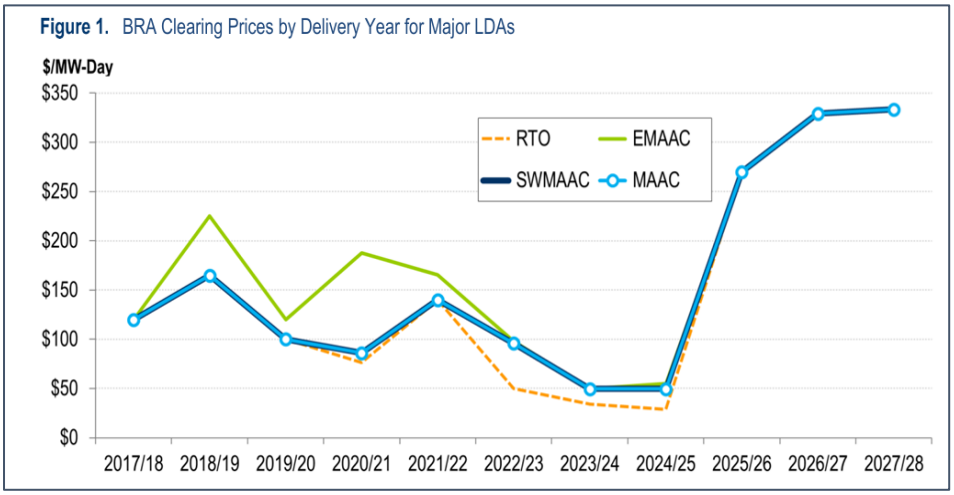
Source: Summer 2025 PJM Reliability Assessment

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 2024[3]. 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

Robin K. Dutta
Executive Director
Chesapeake Solar and Storage Association
robin@chessa.org

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