

March 3, 2026

Environment and Transportation Committee
Maryland General Assembly
250 Taylor House Office Building
Annapolis, Maryland 21401

Re: Altus Power Testimony on HB 1476 – Relating to Net Energy Metering & Successor Program

Position: Favorable with Amendments

Dear Members of the Environment and Transportation Committee,

Please accept these comments on behalf of Altus Power regarding HB 1476, which addresses Maryland's Net Energy Metering (NEM) program.

Altus Power is a long-term owner and operator of commercial-scale solar projects in Maryland as well as 29 other states across the country and Washington, D.C. We are proud to serve customers in Maryland with locally generated solar power, where we have 16 operating projects totaling more than 30 megawatts, which generate annual savings for Maryland customers and contribute property tax revenue to local communities. In addition to our operating solar assets, we have eight additional projects in active construction and a pipeline of other projects at various stages of development that we are seeking to bring online in the near future. This level of investment demonstrates our commitment to Maryland's energy future..

Altus Power understands that Maryland policymakers are undertaking a review of energy affordability, including the current NEM program and a potential successor NEM program. Ensuring affordable, reliable energy for households and businesses is a core priority for Altus as well, and one we agree merits thoughtful attention from the legislature. However, net metered solar systems are not what is driving up energy costs in Maryland. The primary drivers of rising electricity bills, which include utility infrastructure costs, capacity market prices, and natural gas commodity exposure, are well documented and deserve the legislature's attention. We were encouraged to see that HB 1476 increases the net metering program from 3 GW to 6 GW, which recognizes that distributed solar is an essential tool to combat increased electricity costs.

That said, Altus Power offers two critical amendments that must be addressed to protect existing investments in the state and provide the regulatory stability necessary to attract new generation resources. We desire to be a long-term partner and help develop forward-looking solutions that protect existing assets and also recognize evolving market dynamics. HB 1476, as introduced, directs the Public Service Commission (PSC) to conduct a proceeding to explore the development and implementation of a successor program to the current NEM program. However, HB 1476 does not distinguish between how operating projects, mature development projects, or other future projects will be treated under this program. These details must be addressed in the bill.

- 1. HB 1476 must include grandfathering provisions for operating projects under the current 3 GW NEM framework.**

Per the PSC NEM report issued to the General Assembly in November 2025, the current NEM program has attracted approximately 1.5 GW of operational net metered assets under the 3 GW NEM cap. The NEM report also discusses that there is additional NEM capacity at various stages of development which could cause the 3 GW cap to be exceeded. While this does raise the question about the framework that will apply to future net metered projects beyond the 3 GW cap, it is essential to recognize the importance of the investment framework that Maryland put forth to attract these resources to the state to begin with.

The 1.5 GW of operating net metered projects were financed, built, and placed in service in good-faith reliance on Maryland law. If Maryland were to apply a different compensation framework to these projects on a go-forward basis, this would upend the investment framework that was relied upon in making capital decisions. This is not simply a debate about energy policy — it is a question of whether Maryland’s word, as expressed through its statutes and regulatory frameworks, can be relied upon by those who invest long-term capital here.

The solar projects that Altus Power owns and operates in Maryland are long-term, capital intensive infrastructure assets – they required millions of dollars in upfront investment which we seek to recoup over the useful life of the project (20-25 years). When we made these investments, we did so because Maryland established clear rules — rules that this legislature put in place — and we structured long-term financing around them. Retroactively altering the economics of operating projects does not merely affect Altus Power; it sends a signal to every infrastructure investor evaluating Maryland that the state's policy commitments are conditional and subject to revision after capital has been deployed.

Maryland is not alone in facing this question. When other states have moved to retroactively alter net metering or distributed generation compensation for existing projects — as has recently occurred in Maine with changes to the Net Energy Billing program — the consequences have included investment pullback, legal challenges, and lasting reputational damage to the state's standing as a place to deploy capital. Maryland has an opportunity to distinguish itself by protecting the stability of existing commitments even while pursuing forward-looking affordability solutions.

Capital is mobile. If compensation frameworks are altered for operational projects under the current NEM program, companies looking to invest in future energy infrastructure will look to other states that provide a more predictable and stable policy environment than Maryland. This will only hinder Maryland’s ability to add new power sources to meet rising electricity demand, further exacerbating the energy affordability concern.

2. HB 1476 must include a transparent process for mature development projects to participate in the current NEM program under the established 3 GW cap.

Projects that are mature from a development perspective but are not yet operating are very important to helping Maryland secure additional generation capacity to keep electricity prices affordable. These projects have often met significant development milestones, such as securing site control, completing interconnection studies, and obtaining necessary permits. Similar to operating net metered projects, developers have been investing in these projects for years based on the 3 GW NEM compensation framework that Maryland enacted. These projects should have the opportunity to reserve capacity under the 3 GW NEM cap that has been in place.

Altus Power appreciates consideration of these issues before passing the bill. We have worked closely with our trade associations, CHESSA and SEIA, on bill language edits to accomplish these objectives.

Altus Power stands ready to assist this legislature on forward-looking solutions that address energy affordability while preserving regulatory stability and the investment climate in the state. We would welcome the opportunity to meet with Committee members to discuss the actual drivers of energy costs in Maryland and to contribute to a stakeholder process focused on durable, forward-looking solutions.

Please feel free to reach out to me with any questions.

Justin Biltz
Head of Policy and Government Affairs
Altus Power
justin.biltz@altuspower.com