



Date: March 3, 2026

Delegate Marc Korman, Chair
Environment & Transportation Committee
Room 251, Taylor House Office Building
Annapolis, Maryland 21401

RE: HB1476: Public Service Commission – Net Energy Metering – Successor Program
Position: Favorable with Amendments

Chair Korman, Vice Chair Guyton, and members of the Environment & Transportation Committee, thank you for the opportunity to testify “favorable with amendments” on HB 1476, Public Service Commission – Net Energy Metering – Successor Program.

Lodestar Energy LLC (“Lodestar”) appreciates this opportunity to provide favorable with amendment testimony on HB1476, Public Service Commission – Net Energy Metering – Successor Program. Lodestar is an East Coast-focused renewable energy developer with its development office located in New York. Lodestar has developed, owns and operates over 40 solar projects across its 10-year history, with an active pipeline of community solar projects in Maryland. We are committed to the continued success of renewable energy in the state and want to continue our investment in Maryland's economic development.

Lodestar thanks Speaker Pena Melnyk for tackling energy affordability issues in this legislative session, and for recognizing the role of distributed solar as being part of a strategy to put downward pressure on energy costs. Increasing the net metering programs to 6 GW is impactful and a clear sign to our industries that Maryland is a willing partner to make distributed solar a mainstream resource for all energy consumers.

By doubling down on its commitment to local power, Maryland would recognize that distributed generation is essential to the State’s future. As regional electricity demand increases, Maryland has few tools in its toolbox to mitigate rapidly rising costs. These assets are uniquely valuable due to their small footprint and rapid ability to deploy - mitigating capacity price increases, keeping money in the pockets of Maryland ratepayers. Maryland residents are facing extraordinary utility bill prices because of three main reasons:



1. We are primarily dependent on a natural gas heavy market
2. The infrastructure is old, and needs significant upkeep and capital investment
3. The PJM market is seeing historic prices due to projected capacity challenges as the region faces rising electricity demand, which is due to historic projected load growth

Clean, distributed generation helps to mitigate all of these costs. These projects are financed using private capital, and their role as grid assets bring unique benefits to the distribution grid that lowers consumer energy costs by lowering utility costs.

It is essential to maximize how much distributed generation comes online. Hundreds of megawatts of capacity are currently under development within the current net metering program. Changes to existing rules could pull the rug out from this in-development capacity ***and undermine investor confidence in future energy program buildouts in Maryland.***

It is important that any changes to the net metering program, and the creation of a successor program, protects such existing investments in the state. Of note, a reasonably timed and transparent transition period to a successor Maryland net metering program is critical to ensuring this power continues to benefit ratepayers.

Proposed Amendments: A Transition That Doesn't Give Up Grid Benefits

Lodestar respectfully supports the transition and evolution of Maryland's energy tariffs to continue to reflect the holistic value of distributed generation. We believe the current bill language would unintentionally disrupt current projects under development, especially as the industry is focused on meeting the phase-out deadlines associated with the repeal of Investment Tax Credits by Congress in H.R. 1. We respectfully suggest the following amendments to ensure a transition that is both firm and fair:

- ***Safeguard Existing and Under-Development Solar Capacity:*** Projects currently in development are racing to meet construction deadlines set by H.R. 1. These projects were invested in and financed under the statutes currently in place around NEM and are critical to backfilling the loss of federal tax credits.
- ***Implement a Transparent Transition:*** Ensure that current net metering tariffs remains available for projects where significant financial investments have already been made.



This includes signing a lease or purchasing property, investing in the interconnection process, and applying for state or local permits.

- ***PSC-Led Valuation Process:*** Utilize a Public Service Commission (PSC) led process for any future value of distributed solar and storage tariff designs. This provides certainty that any changes are informed by those tasked with managing Maryland's fastest-growing in-state energy resource. The PSC has the technical and policy expertise to evaluate the full breadth of unique value distributed-sited assets provide to the grid and ratepayers

By adopting these amendments, Maryland can utilize distributed solar as a central tool to lowering consumer and utility energy costs ***without unintentionally causing policy uncertainty that could destabilize the industry best positioned to deliver on new capacity.*** We look forward to working with the Speaker and this Committee to ensure Maryland remains a national leader in local, reliable, and equitable power.

With these amendments, Lodestar would urge a favorable report. However, we feel that our recommended amendments are crucial to ensuring that Maryland maximizes the benefits it can get from distributed solar, especially in the near future.

Sincerely,

Oliver Sandreuter
Director of Business Development