



March 3, 2026

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

Written Testimony

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. My name is Scott Elias, and I am the Director of Policy and Market Development at CleanCapital, a leading independent power producer that develops, owns, operates, and invests in distributed solar and energy storage projects across the United States. I also serve as Vice President of the Chesapeake Solar & Storage Association (CHESSA) and as Co-Chair of SEIA’s Mid-Atlantic Committee.

CleanCapital has invested more than \$1.5 billion in clean energy projects serving corporations, municipalities, universities, schools, hospitals, utilities, and community solar subscribers. In Maryland, we own and operate 20 projects totaling more than 26 megawatts, with more than a dozen additional projects in construction and various stages of development. Many of these projects will participate in Maryland’s community solar program, delivering savings to low- and moderate-income ratepayers across the state.

We appreciate Speaker Pena-Melnyk and the legislature tackling energy affordability and proactively considering how distributed solar projects – and those under the state’s 3-gigawatt net metering cap – can best deliver benefits to the grid and Maryland ratepayers. While Marylanders are facing extraordinary utility bill prices, distributed solar helps to mitigate these costs. Distributed solar serves local load, smooths peak demand, and improves resilience, which reduces strain on the grid rather than adding to it. On today’s congested system, that makes distributed solar a critical part of the affordability solution.

We support the evolution of Maryland’s net metering framework and the development of a successor program that reflects the full value of distributed generation. However, CleanCapital is not only a project developer — we are also a long-term owner and capital provider to distributed generation developers across the country. Many Maryland projects currently under development are being financed with the expectation that institutional capital providers like CleanCapital will acquire and own them once operational. Regulatory uncertainty at the transition point between programs

directly affects our ability — and the broader market’s ability — to commit capital to complete those projects.

As a result, it is important that any changes to the state’s net metering program, and the creation of any successor program, neither harm existing distributed solar investments within Maryland nor discourage continued investment in one of the few energy resources that can be deployed quickly and precisely where the grid needs it.

As currently drafted, the bill directs the Public Service Commission (PSC) to develop and implement a successor program for net metering but leaves significant discretion to the PSC regarding transition timing and the treatment of existing projects and those that will begin construction shortly. Without clear statutory guardrails, that transition could introduce material uncertainty for operating facilities and projects that have already deployed substantial capital and bring financing for the advancement of new projects to a halt. Moreover, this comes at a time of broader federal uncertainty, with a changing clean energy financing landscape due to the phase out of federal tax credits.

While investors can live with forward looking changes, introducing a successor program without clear statutory protections for operating projects and defined treatment for projects that have met meaningful development milestones could undermine that financial foundation under which capital is currently being deployed.

We therefore respectfully submit the following amendments to ensure a transition that is grounded in principles that are fair for Marylanders, supports the continued growth of the Maryland solar industry, and ensures that prior investments retain value:

- **Safeguard Existing and Mature Solar Capacity Under Development:** HB 1476 should be revised to clarify that operating projects remain eligible for net metering until they are decommissioned, and that projects that have satisfied clearly defined interconnection and permitting milestones under existing law prior to implementation of the successor program remain eligible under the current net metering framework. Such projects were financed and advanced under the assumption of the current program compensation structure, and any retroactive or unclear transition treatment would materially disrupt investments made in reliance on existing law.
- **Establish a PSC-Led Valuation Process:** The bill should also use a Public Service Commission (PSC)–led process to fairly account for the full suite of values that distributed solar and storage bring to the grid and ratepayers. This will ensure that Maryland’s fastest-growing in-state energy resource is properly compensated for these benefits and will ensure sufficient notice for market participants to adjust financing and development timelines accordingly.

By adopting these amendments, Maryland can utilize distributed solar projects as a central tool to lower consumer and utility energy costs without destabilizing the industry that can bring the quickest and cheapest capacity to the grid.

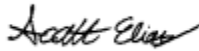
CleanCapital stands ready to continue investing in Maryland and to serve as a long-term owner of distributed generation assets developed by Maryland-based and national developers alike. Clear transition mechanics will allow institutional capital providers to confidently deploy capital into

projects currently under development and maintain Maryland's leadership in distributed clean energy.

We respectfully urge HB 1476 to incorporate these proposed amendments going forward.

Thank you for the opportunity to testify.

Respectfully submitted,

A handwritten signature in black ink that reads "Scott Elias". The signature is written in a cursive, slightly slanted style.

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