



Committee: Environment and Transportation

Testimony on: House Bill 345 – Affordable Solar Act

Organization: Mobilize Frederick

Submitting: Kathy Kinsey

Chair, Government Affairs Committee

Position: Favorable

Hearing Date: February 10, 2026

Dear Chair Korman, Vice-Chair Guyton, and Committee Members,

Thank you for the opportunity to comment on House Bill 345 – the Affordable Solar Act.

Mobilize Frederick, a nonprofit community advocacy organization formed to assist with implementation of innovative local solutions to address climate change, strongly urges the Committee to issue a **favorable** report on HB 345.

Maryland and other PJM Interconnection states are facing sharply rising electricity rates and an unprecedented shortfall in generating capacity as growth in peak electricity demand from data centers and other high-load customers outpaces growth in supply. Bringing new solar energy generating projects online is now the most cost-effective and fastest way to provide new commercial and utility-scale generation that’s needed to close the gap in supply, reduce the need for costly new ratepayer-funded transmission lines, and stabilize electricity prices.

HB 345 would incentive new residential, commercial, and utility-scale solar projects by reforming the State’s Renewable Portfolio Standard (RPS). In addition, it would expand the benefits of solar to renters, condominium owners, low- and moderate-income households, and homeowners whose roofs are not suitable for rooftop solar through authorization of affordable portable balcony solar systems that plug into standard outlets.

The bill replaces the existing solar renewable energy credit (SREC) structure with a two-tier SREC system that directs the Public Service Commission to: (1) administratively set SREC incentive prices for residential, non-residential, and community solar projects taking market considerations into account; and (2) for larger utility-scale solar projects, conduct a procurement for projects that will ensure cost-competitive incentive prices.

Under the bill, alternative compliance payments from utilities that fail to achieve compliance with the RPS will no longer be deposited into the Strategic Energy Investment Fund, but instead be directed into an escrow fund for investment in new clean in-state energy generation. This revamped program is expected to incentive 4,000 MW of new solar generation, and by 2035, more than double the solar share of Maryland's current electricity generation portfolio.

Finally, by authorizing the sale and installation of affordable simple-to-install portable balcony solar systems that consumers will likely be able to purchase directly from retailers, HB 345 will tap into an entirely new residential market for solar.

By enabling the State to shift away from reliance on higher cost fossil fuel generation, this bill will also boost grid capacity, help to control rising electricity prices, and advance progress toward achieving the State's air quality and climate goals.

For all the foregoing reasons, we respectfully urge the Committee to issue a **favorable** report on House Bill 345.

Sincerely,

KATHY KINSEY
Chair, Government Affairs Committee

cc: Karen Cannon
Executive Director