

Delegate Marc A. Korman

Chair, House Environment and Transportation Committee

Low House Office Building, Room 251

6 Bladen St., Annapolis, MD 21401

HB345

Dear Chair Korman,

Solar Landscape opposes HB345 as written. As proposed, this legislation will materially damage the ability to deploy certain distributed solar projects in Maryland, including commercial and industrial rooftop solar, brownfields, and landfills. First, this legislation will effectively end the Brighter Tomorrow Small Solar Energy Generating System Incentive (SGI), which has been a successful program in the state to incentivize and encourage these types of distributed solar projects that the state has chosen to prioritize, even if the SGI is otherwise extended through legislation that has been introduced this session. Second, this legislation will create uncertainty around solar project compensation in Maryland, which will in turn pause solar financing and slow commercial and industrial rooftop solar development at a time when the state crucially needs new, fast-to-deploy generation.

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.

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

¹ Solar Power World, 2025



In 2024, the General Assembly explicitly recognized the unique value of certain distributed solar projects including commercial and industrial rooftop, brownfield, and landfill projects, through the passage of the Brighter Tomorrow Act and the creation of the Small Solar Energy Generating System Incentive (SGI). The SGI allows for the renewable energy credits produced by these projects to have a 150% compliance value for the utilities towards meeting their renewable portfolio standard. The legislature recognized that these projects deliver important system and policy benefits but often face higher development costs and narrower margins than other forms of generation. Through the SGI, the legislature made a clear policy choice to prioritize these eligible distributed solar projects. Legislation has since been introduced this session to extend the Brighter Tomorrow program and expand its capacity, reinforcing the General Assembly's intent to continue scaling these projects.

As drafted HB345 would directly undermine that policy direction. By transitioning to a new REC structure without clearly preserving the Brighter Tomorrow multiplier for eligible projects, the bill would effectively eliminate the incentive. This change would sufficiently damage project economics and halt development of commercial and industrial rooftop solar and other SGI-eligible resources in Maryland. To this end, we encourage the committee to amend the legislation to explicitly ensure that the Brighter Tomorrow SGI applies to new SREC IIs.

Separately, the bill's accelerated transition timeline creates additional risk by introducing the new REC structure without clearly defined pricing guardrails. Because commercial and industrial rooftop projects can be developed in less than two years, projects moving forward today would not come online before the bill's proposed effective date. Without predictable pricing, developers and investors will be unable to assess project viability with confidence and will be left with no option other than to halt project development. To ensure continued development, we encourage the Committee to establish a defined floor for REC pricing for commercial and industrial rooftop solar projects.

These challenges are compounded by broader policy timing. Maryland is approaching the federal Investment Tax Credit sunset, making the next several years a critical window for deploying new, in-state generation while federal support remains available. At the same time, net energy metering reforms are expected this session. Introducing overlapping policy changes without continuity or pricing clarity risks slowing deployment at exactly the moment when speed matters most, leaving cost-effective generation untapped and increasing reliance on higher-cost alternatives.

For these reasons, Solar Landscape urges the Committee to carefully consider the near-term impacts of HB 345 on the development of commercial and industrial rooftop solar and other SGI-eligible distributed solar projects. Without clear transition safeguards, the bill risks delaying or outright killing projects that are otherwise ready to move forward and deliver affordable, in-state clean energy to Maryland ratepayers.