



**Testimony of
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**Submitted to the
MARYLAND GENERAL ASSEMBLY
House Environment and Transportation Committee
HB 1195 – Net Energy Metering, SUNRISE Program, and Community Solar Energy Generating Systems
Program (SUNRISE Act)**

Chair Korman, Vice Chair Guyton, and Members of the Committee:

On behalf of Nexamp, one of the nation’s leading distributed solar and energy storage providers, thank you for the opportunity to comment in strong support of HB 1195. We greatly appreciate Delegate Stein’s leadership on this bill and respectfully request a favorable report.

Nexamp is a developer, owner and operator of community solar projects in Maryland, has been an active participant in the Community Solar Pilot Program since 2017, and we are proud to have built the Program’s first LMI project, located in Queen Anne’s County, serving 51% low-and moderate-income customers. We now have 9 operating projects across the state, representing 22 MW of clean generation, which provide energy savings to more than 2500 customers statewide, including 1000 LMI customers. In addition to our operating portfolio, we have many projects that are actively in construction and in development here in MD that are planned for participation in net metering and community solar.

Supporting a thoughtful transition to value-based compensation

Maryland has been a national leader in community solar and distributed generation, and much of that success has been driven by the state’s net metering framework. At the same time, Nexamp recognizes and supports the policy imperative to evolve beyond legacy net metering toward a compensation structure that more explicitly reflects the value these projects create for the grid and for customers. In our view, HB 1195 strikes the right balance:

- It preserves stability for existing and near-term projects that were planned and financed under the current rules by defining how projects count against statewide capacity and how they will be queued; while

- Enabling the State and the Public Service Commission to design the next generation of value-based compensation, aligned with grid needs, customer benefits, and Maryland’s climate and equity goals.

For developers and financiers, the most important ingredients in this transition are predictability and lead time. HB 1195 provides the kind of structured, transparent pathway that allows us to plan new investments under a future framework, even as we honor commitments made under the current one.

This clarity is particularly important in light of the time-limited window for federal Investment Tax Credit (ITC) incentives. Developers, lenders, and tax equity investors need to know what compensation structure will apply over the life of a project in order to commit capital and keep projects moving through interconnection, construction, and subscription. Uncertainty or gaps between program regimes will strand projects, delay benefits to customers, and risk losing ITC value that will not return.

By locking in a workable path for projects that are already in operation or well advanced in the pipeline, HB 1195 helps ensure that Maryland can capture the full benefit of current federal support rather than letting those opportunities expire on the sidelines.

Centering LMI customers through OHEP and deeper, concentrated benefits

Nexamp also supports HB 1195’s focus on low- and moderate-income (LMI) households and the enhanced role of the Office of Home Energy Programs (OHEP) in administering programs and activities related to community solar and energy benefits for LMI customers.

From our experience working in multiple states, creative, administratively efficient models are essential to ensure that LMI households actually receive and can rely on the promised benefits. We are particularly supportive of the concept in HB 1195 of:

- Using OHEP’s existing infrastructure and data to identify and enroll LMI customers, and
- Providing the option of free community solar bill credits to a smaller pool of eligible households, rather than more thinly spreading discounts over a larger group.

Concentrating benefits in this way can:

- Deliver meaningful, noticeable bill relief to participating LMI households, concentrating savings to make a significant economic impact for participants;
- Simplify program design and customer communications, because free credits are easier to explain and understand than variable percentage discounts; and
- Align community solar more closely with the core mission of OHEP and the bill assistance programs it already administers.

We view this approach—pairing OHEP’s expertise with deeper, free credits for a targeted group of LMI customers—as a promising model for maximizing the real-world impact of Maryland’s community solar investments.

HB 1195 provides the regulatory clarity and continuity needed to keep operational and in-development projects moving forward during a critical but closing window for federal ITC support, while also creating room for Maryland to transition thoughtfully to a more value-based compensation structure. At the same time, it advances a practical, impactful strategy for LMI participation by leveraging OHEP and concentrating benefits through free credits.

For these reasons, Nexamp respectfully urges a favorable report on HB 1195.

Thank you for your consideration.

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