



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee

FROM: MEA

SUBJECT: HB 345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

DATE: February 10, 2026

MEA Position: FAVORABLE WITH AMENDMENT

MEA appreciates the long-standing leadership and consistent effort of the bill sponsor in advancing clean energy policies. HB 345 reflects sustained engagement on the details that matter most to Marylanders: affordability, accountability, and community outcomes that ensure Maryland's clean energy transition is both durable and broadly shared.

The Affordable Solar Act (HB 345) advances Maryland's clean energy and affordability goals by shaping the State's solar policies in a way that supports the State's Renewable Portfolio Standard (RPS), climate goals, and the proliferation of in-State generation. These outcomes align directly with the Maryland Energy Administration's core mission to promote clean, affordable reliable energy by accelerating energy efficiency and clean energy deployment. MEA is supportive of such measures when they can be deployed in a cost-effective manner that protects ratepayers.

This bill expands solar as a cost-effective resource to meet Maryland's energy and climate goals, establishing clear pathways for additional solar generation by directing the Public Service Commission to implement structured, recurring procurements for solar. HB 345's procurement and program design ensures consistent mechanisms for SREC and SREC-II procurement, setting clear parameters for solicitations, contract terms, and performance requirements. Importantly, HB 345 includes provisions directing the Commission to balance market development with consumer impacts, including consideration of system benefits such as avoided capacity and transmission and distribution costs. This focus on net value and cost-discipline is critical.

HB 345 also authorizes the residential purchase and use of certain portable solar energy generating systems. This provides Maryland households an additional option to offset a portion of electricity consumption. By establishing clear definitions and consumer protections, the bill promotes safe adoption while reducing unnecessary barriers for residents seeking smaller-scale solutions.

MEA appreciates the bill's intent to support distributed solar deployment; however, MEA has concerns with the inclusion of an administratively determined incentive. MEA currently administers a robust portfolio of programs that support distributed solar energy generated systems, including

community solar, rooftop solar, and complementary energy efficiency initiatives. These programs are designed to deliver measurable consumer value, target equitable access and respond to market conditions through established program design and oversight. To continue these programs, MEA requires stable and flexible funding. Allowing MEA to retain a portion of the Alternative Compliance Payment (ACP) revenues would enable the agency to sustain and enhance its existing distributed solar and community solar offerings.

MEA emphasizes the importance of ensuring that any new or expanded programs do not impose additional costs on ratepayers. MEA looks forward to continuing to work with the bill sponsor and committee to explore additional cost-containment strategies and to ensure that Maryland's energy policies advance clean energy goals while maintaining affordability for all customers.

MEA urges the committee to issue a **favorable report with the recommended amendments.**

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison at landon.fahrig@maryland.gov or 410.913.1537.