IPL-DMV Testimony for HB0345 FAVORABLE (1).pdf
Uploaded by: Andrea Orozco
Position: FAV

February 6, 2026

Testimony supporting HB 345, Affordable Solar Act
House Environment & Transportation Committee
Position: FAVORABLE

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

On behalf of **Interfaith Power & Light (DC.MD.NoVa)** and the many faith communities we serve across Maryland, we urge a **favorable** report on HB0345, the Affordable Solar Act.

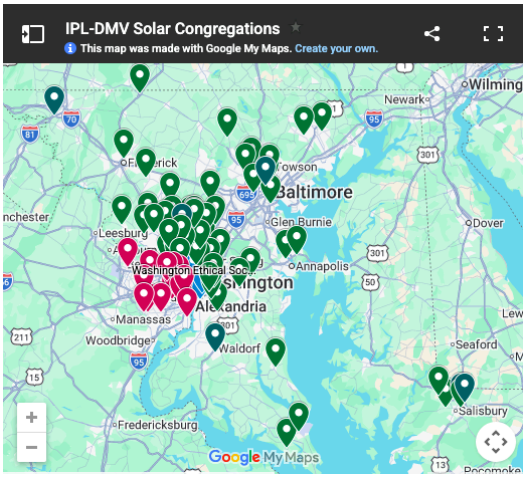
Maryland's faith communities are putting their resources toward sacred and essential purposes. Our congregations strive to be faithful stewards of the gifts entrusted to us.

Right now, Maryland families and community institutions face some of the highest electricity costs in the nation, and those costs continue to rise. For congregations, nonprofits, and households alike, this means fewer resources for mission, service, and care, and more money spent on fuel-burning power that harms the very world we are called to protect.

We believe Marylanders deserve real solutions that give us control over our energy future, not just more expensive bills. HB0345 helps build a system that protects ratepayers while moving forward with clean energy. The bill's escrow account system ensures transparency and prevents excessive costs from being passed on to customers, striking an important balance between urgent climate action and strong protections for ratepaying Marylanders.

The Affordable Solar Act also makes solar energy accessible to more of our neighbors, regardless of whether they own their home. The portable solar provisions open the door for renters and apartment residents to participate in the clean energy economy. A typical balcony system can reduce electricity bills by 10–30%, bringing the benefits of energy independence to communities that have long been left out.

Our faith communities know firsthand that solar power works. **Across Maryland, more than 70 congregations are already powering their sanctuaries with the sun.** In just the last year, our Clean Energy Shepherd program helped twelve congregations install or move toward installing solar, representing over a megawatt of clean energy. One church lovingly described their panels as their "newest stained-glass windows," a visible sign of their commitment to stewardship and sustainability.



We are ready to meet the climate crisis with real action. Maryland currently generates only about 7% of its electricity from renewable sources, yet we have set a goal of reaching 50% by 2030. HB0345 moves us meaningfully toward that goal while ensuring the transition is fair, affordable, and inclusive.

For these reasons, and on behalf of the many congregations and communities striving to become better stewards of their resources and their world, we respectfully urge a favorable report on HB0345.

Over seventy congregations across Maryland are already using solar panels to manage their energy costs, including:

St. Andrew Presbyterian Church
Williamsport
Washington County

St. Alban's Episcopal Church
Salisbury
Wicomico County

Peace Lutheran Church
St. Charles
Charles County

All Saints Lutheran Church
Bowie
Prince George's County

View Interfaith Power & Light's interactive solar congregations map at **ipldmv.org/solar**

HB345 Testimony - Andrew Hinz.pdf
Uploaded by: Andrew Hinz
Position: FAV

Testimony Supporting HB345
House Environment and Transportation Committee
February 6, 2026

Andrew Hinz
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Baltimore, Maryland 21217
ahinz61@outlook.com
443-617-4079

Position: SUPPORT

Members of the Committee,

As a lifelong, 65 years, Maryland resident and ratepayer I urge you to pass HB345.

HB345 will make common-sense, well-researched, informed-by-experience adjustments to the Maryland ratepayer-incentivized program to invest in solar energy to better sustain our environment and to avoid escalating and fluctuating electric bills.

With HB345, investments in large solar installations will be made directly through solar project request for proposal, competitive procurements. I led successful IT procurements for the federal government as a technology manager and also for the State of Maryland as a consultant and I know the competitive procurement process works when performed using best practices.

With HB345, investments in medium solar installations will be incentivized by the Maryland Public Service Commission (PSC) using annually adjusted incentive amounts—I have been a citizen working member of the PSC-led Maryland Storage Energy Working Group and I have full confidence PSC staff will be able to tune this incentive effectively year-by-year so businesses will be able to invest confidently and successfully even in a rapidly changing energy 'market.'

With HB345, small solar investments by consumers will not be hindered by public utility bureaucracy but instead will be box purchases at Lowes or Home Depot that work as soon as they are taken out of the box and plugged in. I have a portable solar panel and inverter/battery that I use for camping and other purposes and it is plug and play and it is wonderful.

HB345 will ensure ratepayer investments in solar are used FOR THAT PURPOSE. We ratepayers are very frustrated the solar investments we have been paying for in our electric bills for many years have been significantly diverted from their intended purpose. Establishing good policy but then failing to follow through on its execution erodes confidence and engagement in the process of voting for peers who will legislate the policies we need. And in this case the lack of follow through harmed our environment, raised our electric bills, and exacerbated energy injustices in our state—for example for those in public housing in Baltimore City that could easily be powered by solar and preclude skyrocketing bills; and for those in Stoney Beach suffering from coal plant emissions unnecessarily.

Please un-frustate us by passing HB345—and help ALL Marylanders reap the benefits of the solar boom we see happening in Texas and California. We KNOW solar is the cheapest way to generate electrons

and getting cheaper still—and we are fed up with the slow-walking of the transition of our grid and our electric bills to clean, sustainable, predictably priced energy.

I think I am in a comfortable majority of ratepayers who understand we need to generate more electricity, who would be fine with solar on every rooftop and parking lot in our community, who would be fine with safe batteries installed in our communities like the old telephone switch buildings, and who do not want live anywhere near the alternatives, particularly this one - https://www.reuters.com/sustainability/land-use-biodiversity/wanted-volunteers-host-nuclear-waste-forever-2026-02-06/ (forever nuclear waste).

260210_HB0345 Testimony.pdf
Uploaded by: Beth Forbes
Position: FAV

2026 Maryland General Assembly

House Bill 345 – Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Committee Hearing 2/10/26

Environment and Transportation Chair Marc Korman and committee members,

Please favorably pass the Affordable Solar Act out of your committee.

I am especially excited about the plug-in solar opportunities that will be available after this bill passes. Renters are often not able to have solar panels to help provide a portion of their household's electric power. Once "balcony solar" is available in Maryland, renters will be able to access this method of lowering their electric bills.

Sincerely,

Beth Forbes, P.E.

CE Ball 2026 - HB345 Affordable Solar Act.pdf
Uploaded by: Brian Shepter
Position: FAV

HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE
3430 Courthouse Drive ▪ Ellicott City, Maryland 21043 ▪ 410-313-2013 Voice/Relay

Calvin Ball
Howard County Executive
cball@howardcountymd.gov

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February 6, 2026

Delegate Marc Korman, Chair
Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

RE: **TESTIMONY IN SUPPORT of House Bill 345**: Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Dear Chair Korman, Vice Chair Guyton, and Members of the Environment and Transportation Committee,

Climate action and environmental justice are high priorities for Howard County. Our June 2023 *Climate Forward: Climate Action and Resiliency Plan* sets ambitious goals to reduce greenhouse gases by 60% by 2030 and achieve net-zero emissions by 2045. Clean energy deployment is vital to meeting our goals. Even though solar and wind energy are cheaper than fossil fuels, the federal government is throwing up unwise roadblocks to clean energy. This makes it imperative for states and local jurisdictions to facilitate clean energy deployment. By reforming the state's Solar Renewable Energy Credit (SREC) program, HB345 would incentivize utility-scale solar, community solar, and rooftop solar development. HB345 also would ensure that funds from the SREC program are used to boost solar development in Maryland, ensuring the addition of 4,000 MW of solar capacity.

As noted in my January 23, 2026 Baltimore Sun op-ed, "*Let's Empower More Marylanders with Balcony Solar,*" HB345 would also enable Marylanders to avail of plug-in or "balcony" solar. During my 2024 economic trade mission to Europe, I saw how incredibly popular balcony solar systems have become, especially among renters. Balcony solar offers an affordable entry point to cleaner power while reducing household energy bills without the need for complex installations, structural modifications, or cumbersome utility interconnection agreements.

Now is the time to ensure that the clean energy transition does not leave out vulnerable communities that can benefit from cheaper, home-grown electricity. Utah has already enacted such legislation and many other states are poised to follow suit. This is a simple yet transformative move that would democratize solar access and create cleaner and cheaper electricity for Marylanders. For these reasons, I request the Committee's **favorable report for HB345.**

All the Best,

Calvin Ball
Howard County Executive

HB0345_FAV_CCANAF.pdf
Uploaded by: Brittany Baker
Position: FAV

TESTIMONY OF
BRITTANY BAKER
MARYLAND DIRECTOR
—
MIKE TIDWELL
EXECUTIVE DIRECTOR

HB0345- PUBLIC UTILITIES- SOLAR ENERGY GENERATING SYSTEMS AND SOLAR RENEWABLE ENERGY CREDITS (AFFORDABLE SOLAR ACT)

FAVORABLE

FEBRUARY 10TH, 2026

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

The Affordable Solar Act is CCAN Action Fund's number one priority this legislative session. This essential piece of legislation is the permanent fix that Maryland needs to expand the deployment of solar energy, reduce greenhouse gas emissions in the state, stabilize the solar industry in the face of federal antagonism, and ensure the solar industry provides family sustaining jobs for Maryland residents. Further, this bill protects ratepayer funds that are collected from the Renewable Portfolio Standard to ensure those investments are used for the Renewable Portfolio Standard.

Solar energy projects provide the cheapest electrons and are the quickest to build projects to add to the grid. According to Lazard (the definitive source for the levelized cost comparison between various energy resources), onshore wind and utility-scale solar are the most cost-effective sources for energy deployment and have been for the last ten years.[1] Adding solar projects to Maryland's energy system has the ability to put downward pressure on rates by increasing the amount of cheap energy produced in the state. The bill takes a targeted approach to support the solar industry by ensuring each segment of the industry is appropriately supported to ensure full deployment.

Along with stabilizing the solar industry, this bill confronts the reality that the Maryland Renewable Portfolio Standard is currently not functioning. Each year since 2021, the amount of alternative compliance payments (ACPs) that have been purchased by the utility companies have been very substantial.[2] When ACPs are purchased instead of investing in new solar, we miss opportunities to transform our energy system and reduce greenhouse gas emissions. In fact, a recent report from MDE found that we are behind on our greenhouse gas emissions reductions goals due to this issue that has become chronic.[3]

As stated by the Chair of the California Energy Commission in the January 29th briefing to the Environment and Transportation Committee, in order to build a grid that is resilient and maximizes clean energy resources Maryland needs to commit to long-term programs that meet the needs of the clean energy industry and protect ratepayers. This legislation is a targeted and long-term approach that meets the needs of the moment.

I respectfully request a favorable report on HB0345.

[1] https://www.lazard.com/news-announcements/lazard-releases-2025-levelized-cost-of-energyplus-report-pr/
[2] https://dls.maryland.gov/pubs/prod/NatRes/IntroductiontotheRenewableEnergyPortfolioStandard.pdf
[3] https://marylandmatters.org/2026/01/30/maryland-emissions-data-behind-goal/

HB0345_Affordable_Solar_Act_FAV.pdf
Uploaded by: Cecilia Plante
Position: FAV

TESTIMONY FOR HB0345
Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Bill Sponsor: Delegate Charkoudian
Committee: Environment and Transportation
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE

I am submitting this testimony in favor of HB0345 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

Our members are all hating their utility bills these days. Marylanders have been taken to the cleaners by the very entities that were supposed to manage the grid and ensure that they made good investments that would not spike utility rates and line the pockets of the utilities. Given the complete failure of the PSC to invest in solar and other clean energy sources, we now need to take matters into our own hands.

This bill, if enacted, would phase out the current solar subsidy program and replace it with a new program that would require the Public Service Commission (PSC) to conduct competitive procurements for utility scale solar and ensure that the new systems are built with the best value for rate-payers. It will also require the PSC to establish incentive prices for rooftop and community solar. All of this will be achieved without costing additional increases for rate payers because the Alternative Compliance Payments that have already been paid by rate payers will be put into an escrow account used to implement this new solar model.

Also, this bill would incentivize portable solar - compact portable systems that plug directly into a standard outlet and require no rooftop installation. Portable solar systems feed power into the home to offset consumption, reducing household electricity bills and, when paired with a battery, offer energy resilience to households. This would help many Marylanders who cannot invest in traditional rooftop solar, particularly renters, lower-income households, and homeowners with shaded or otherwise unsuitable roofs. It would put new, clean energy into the grid and into people's homes.

We strongly support this bill and recommend a **FAVORABLE** report in committee.

CCSA testimony_HB 345_2-10-2026.pdf
Uploaded by: Charlie Coggeshall
Position: FAV

1380 Monroe Street NW, #721
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720.334.8045
info@communitysolaraccess.org
www.communitysolaraccess.org

RE: HB 345 – Affordable Solar Act

Favorable

Chair Korman and members of the House Environment and Transportation Committee,

The Coalition for Community Solar Access (CCSA) provides this written testimony regarding House Bill (HB) 345. CCSA's position on this legislation is Favorable.

CCSA is a national, business-led trade organization, composed of over 100 member companies, that works to expand access to clean, local, affordable energy nationwide through the development of robust community solar programs. Community solar projects involve medium-scale solar facilities that are shared by multiple community subscribers who receive credit on their electricity bills for their share of the power produced.

CCSA has been an active participant in the development and implementation of Maryland's community solar program, from its pilot stages to the permanent program it is today. We appreciate the General Assembly's support and leadership throughout the program's evolution and its embracement of community solar as an energy and affordability solution for the state. Community solar represents one of Maryland's most deployable energy sources and is a versatile tool for reducing electricity costs: particularly for low-and-moderate income customers, which make up at least 40% of the enrolled capacity for each permanent program project.

Delegate Charkoudian's HB 345 would help support the sustained growth of community solar and other solar market segments in Maryland, while providing regulatory flexibility to adjust to variables outside the control of the state's policy makers. It would also address shortcomings associated with Maryland's Renewable Portfolio Standard (RPS) and evolve its current incentive structure from a one-size-fits-all approach to a more sophisticated and cost-effective program design. For community solar and other distributed solar technologies, HB 345 would establish "Administrative Determined Incentive" (ADI) levels that are set and updated by the Public Service Commission and account for the specific needs of each segment. CCSA and its members have direct experience with this program design in neighboring New Jersey and can attest to its success in that state.

CCSA appreciates Delegate Charkoudian's dedication to solving the complex challenges associated with Maryland's energy needs and we endorse the direction taken in HB 345. We look forward to continuing to work with the Delegate and this Committee to ensure a smooth transition for the solar market.

CCSA urges a favorable report on HB 345.

Sincerely,

Charlie Coggeshall
Mid-Atlantic Director, CCSA
charlie@communitysolaraccess.org

HB0345 Favorable Testimony.pdf
Uploaded by: Cynthia Miller
Position: FAV

HB0345 - SUPPORT

Cynthia Miller
Third Act Maryland
cyngmiller@gmail.com
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HB0345 -
Solar Energy Generating Systems and Solar Renewable Energy Credits
(Affordable Solar Act)
Environment and Transportation

February 10th, 2025

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

On behalf of Third Act, a group of 1400 elders committed to clean energy, climate justice and democracy, I urge a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). We at Third Act believe HB0345 establishes the foundation Marylanders need to join the clean, affordable, and urgent energy transition our times demand.

We are confident through the work of our organization's climate activists throughout the state, that Marylanders are clamoring for clean, renewable, and affordable energy options. As a life-long Maryland resident, I can attest to the challenges that face all Marylanders, if we don't act urgently to promote and support clean energy solutions throughout our state.

Family budgets are straining to keep up with skyrocketing costs for electricity (among the nation's highest). We continue to hear from Maryland families about the strain to our pocketbooks, and to our environment, that our continued reliance on fossil fuels have caused. Marylanders are ready now for a change to a clean energy future.

We believe strongly that energy independence should be accessible to all Marylanders, whether homeowner or renter. HB0345 makes solar energy accessible to residents, whether they own a home or not. The bill's portable solar provisions allow renters to finally participate in the clean energy economy, and achieve significant savings on their monthly electric bills.

We also need a system that protects ratepayers while moving forward with clean energy. HB0345 creates an escrow account system that ensures transparency and prevents utilities from passing excessive costs to customers. This approach balances our urgent need for clean energy with strong protections for our families and businesses.
HB0345 moves us towards our collective goals for clean energy, ratepayer affordability and protection for our environment. For these reasons, we at Third Act Maryland urge a favorable report on HB0345.

Thank you for your consideration.

Cynthia Miller
Third Act Maryland
Co-Facilitator

Testimony on Affordable Solar Act HB345 DAC.pdf
Uploaded by: Debbie Cohn
Position: FAV

Testimony on: HB345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Committee: Environment & Transportation
Submitting: Deborah A. Cohn
Position: Favorable
Hearing Date: February 10, 2026

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

I have lived in Bethesda for over 40 years and have adult children and pre-school aged grandchildren who also live in Maryland. I am acutely aware of the difficulty many of their peers face in making ends meet, in part due to dramatic increases in utility bills. I also am concerned about the need for Maryland to provide our businesses a competitive advantage and to grow our economy so that we can address our structural budget constraints. I am submitting testimony in support of HB345, the Affordable Solar Act, because it addresses both of these concerns creatively and effectively. I urge you to vote favorably on HB345.

Maryland is facing an affordability crisis for residents, governments and businesses, as utility bills continue to rise at a greater rate than inflation. Utility scale solar energy and onshore wind remain the least expensive source of new electricity generation. With the Trump administration removing support for these clean, least expensive and fastest to deploy energy sources, states need creative, cost-effective ways to take advantage of these resources.

But Maryland's current system to encourage development of in-state solar energy (whether rooftop, community, commercial or utility scale solar) and cleaner electricity supplies, the Renewable Portfolio Standard (RPS), is broken. It is currently less expensive for utilities to meet the state's solar renewable energy certificate (SREC) requirements by paying the alternative compliance payment (ACP) into the Strategic Energy Investment Fund (SEIF) than to purchase SRECs. And while the SEIF is intended to be used to make Maryland's energy supply more affordable, cleaner and reliable, recently it has also been used in part for unrelated purposes in order to balance the state budget.

HB345 directly addresses each of these issues. The bill makes it easier and more cost-effective for residents and businesses in the state to utilize solar energy to reduce their utility bills. It incentivizes new commercial and utility-scale generation to increase reliability, lower the wholesale cost of electricity in the region, and delay the need for expensive new transmission capacity in Maryland. And it redirects existing SREC funds from the SEIF into a new fund limited to funding in-state solar energy projects.

The Affordable Solar Act achieves this in three ways. The bill takes into account structures developed by New Jersey and other states to make their RPS more effective. HB345 restructures the RPS by directing the Public Service Commission (PSC) to create administratively determined incentive levels for SRECs. Incentives will be tailored according to market segments such as residential, non-residential, and community solar, ensuring that only the amount of incentive needed to induce additional supply in a particular market segment is provided. For utility-scale projects it directs the PSC to conduct a competitive procurement, effectively a reverse auction that will drive down the cost of the targeted amount of new supply to create value for the ratepayer. These efforts will spur 4,000MW of new, in-state solar energy generation, reducing our dependence on out-of-state, often fossil-fuel energy supplies, while creating good paying Maryland-based jobs.

Second, HB345 creates a clean energy fund administered by the major utilities, and directs into this fund all proceeds from the SEIF, including historical ACPs paid into the SEIF in lieu of purchasing SRECs. The fund can be used only to build new, cost effective, in-state clean energy generation. In this way, funds that are paid by the ratepayer for clean energy investment can be used only for this purpose, reducing the cost to ratepayers of any early incentives until less expensive generation comes online.

Finally, HB345 allows for Portable Solar Energy Systems, allowing low and moderate income renters and condo residents to acquire easy-to-install solar energy systems without the need to obtain permits, contractors or interconnection agreements. These systems are widely used in Europe, UL listed for safety, likely to be available at big box stores and can be plugged into a standard 120v outlet. They provide limited amounts of power but give renters, condo owners and those who cannot afford rooftop solar some control over their utility bills at affordable prices.

The Energy Information Administration has just released a new report, forecasting that solar, wind and battery storage will provide over 99% of new electricity generating capacity in the U.S. in 2026. The reason is simple: clean energy generation is the cheapest form of new generating capacity. Residents and businesses in states that pivot away from fossil fuels and other expensive forms of generation will reap the benefits of long term lower electricity costs.

To grow our economy, allow our businesses to compete nationally and internationally, and reduce utility costs for residents, I urge a favorable report on HB345, the Affordable Solar Act.

CLPP Testimony HB0345 2026 FAV.pdf
Uploaded by: Donald M. Goldberg
Position: FAV

Climate Law & Policy Project

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www.clpproject.org
Contact: donald@clpproject.org

Committee: Environment and Transportation
Testimony on: HB0345 – Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Submitted by: Donald M. Goldberg, Executive Director
Position: Favorable
Hearing Date: February 10, 2026

Dear Chairman and Co-chair:

Climate Law & Policy Project (CLPP) is a Maryland-based nonprofit research organization that works to develop and promote sound and safe policies to slow, stop, and ultimately reverse the buildup of greenhouse gases in the atmosphere and ensure that vulnerable communities are protected from climate impacts that cannot be avoided. CLPP supports HB0345.

HB0345 would facilitate the use of "balcony solar" — simple, portable, small-scale solar that can be plugged directly into a regular outlet to offset some electricity consumption. Such solar technologies can be an easy and effective way to deploy more clean energy around the state and to help reduce consumers' electricity bills. Experience elsewhere has shown that the bill savings can be substantial. So far, these solar technologies are much more common in parts of Europe than in the United States, but they are rapidly gaining traction here as well. Utah passed legislation allowing them last year, and several other states are exploring it. Maryland should absolutely clear the way for increased use of this kind of easy, convenient, portable solar.

More broadly, HB0345 would advance deployment of all kinds of solar in Maryland, both distributed and utility-scale. Since solar power is a vital component of Maryland's ability to meet its climate targets, CLPP supports these efforts.

CLPP respectfully urges a favorable report on this bill.

HB345_FAV.pdf
Uploaded by: Donna Edwards
Position: FAV

MARYLAND STATE & D.C. AFL-CIO
Affiliated with the National AFL-CIO

Donna S. Edwards
President

Samuel Epps, IV
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HB 345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

House Environment and Transportation Committee

February 10, 2026

SUPPORT

Donna S. Edwards

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 345. On behalf of our 700 affiliated unions, I offer the following comments.

HB 345 recognizes that Maryland's clean-energy future must be built by Maryland workers and embeds it directly into the structure of our state's solar expansion. By grounding solar expansion to responsible development standards, we ensure the clean-energy transition delivers high-quality, local jobs.

This legislation does more than just expand solar capacity, it supports skilled labor and keeps jobs in Maryland. By setting clear procurement requirements and creating a structured pathway for new distributed and utility-scale projects, HB 345 translates solar expansion into real jobs for the trades that build and maintain these systems. It aligns Maryland's goals with a workforce strategy that values training, safety, and fair wages.

HB 345 ensures that public investment in solar energy delivers good jobs, strong communities, and a clean-energy economy that uplifts workers rather than undercuts them.

For these reasons, we urge a favorable report on HB 345.

WDC testimony 2026 - HB0345 Affordable Solar Act.p
Uploaded by: Elisabeth Fidler
Position: FAV

MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB
P.O. Box 34047, Bethesda, MD 20827 www.womensdemocraticclub.org

House Bill HB0345 Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Environment and Transportation Committee – February 10th, 2026
SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2026 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of **HB0345 - Affordable Solar Act**. This bill will establish the foundation all Marylanders need to join the clean, affordable, and urgent energy transition our times demand.

Solar energy is the fastest and most cost effective way to build new electricity generation. Solar energy has the ability to lower utility bills, stabilize costs, and provide clean energy for a decarbonized future.

This bill HB0345 makes solar energy accessible to everyone whether they rent or own their home. Traditional rooftop solar is unavailable to many Marylanders, particularly renters, lower-income households, and homeowners with shaded or otherwise unsuitable roofs.

Balcony/portable solar projects make solar more widely available to low income Marylanders and renters. A typical balcony system can reduce apartment electricity bills by 10-30%.[1] The portable solar provisions open the door for renters to finally participate in the clean energy economy. We believe energy independence should be available to all Marylanders, not just those who own homes, and this bill breaks down such barriers that have kept solar access out of reach.

We ask for your support for HB0345 and strongly urge a favorable Committee report.

Thank you for your consideration.

Cynthia Rubenstein
WDC President

Elisabeth Liisi Fidler
WDC Subcommittee on Environment and Energy

Kate Stein
WDC Advocacy Chair

[1] Solar Tech Online, "Solar Panels For Apartment Balconies: Complete 2025 Installation Guide," (August 2025) https://solartechonline.com/blog/solar-panels-apartment-balcony-guide/

HB345.ENT.AffordableSolarAct.pdf
Uploaded by: Elizabeth Singer
Position: FAV

Committee:	**House Environment and Transportation**
Testimony:	**HB 345 Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy Credits** **(Affordable Solar Act)**
Organization:	**Jewish Community Relations Council of Howard County, MD**
Submitting	**Laura Salganik, Chair**
Position:	**FAVORABLE**
Hearing Date:	**February 10, 2026**

Dear Chair Korman, Vice Chair Guyton and Committee Members:

The Jewish Community Relations Council is submitting this testimony in favor of HB 345, the Affordable Solar Act. This bill advances the Jewish values of helping our neighbors who suffer burdens and repairing the world. Advancing the use of solar power lowers the cost and increases accessibility of clean, renewable energy to individual homes.

This bill phases out the current subsidy program, Solar Renewable Energy Credits (SREC) and replaces it with (SREC 2), an improvement that will see the Public Service Commission (PSC) conducting competitive procurements for utility scale solar to ensure that these systems are built with the best value for rate-payers. Second, the PSC will establish incentive prices for rooftop and community solar and recalculate these regularly, based on changes in the market and federal policy.

This model also shifts funds already being paid by ratepayers through Alternative Compliance Payments into an escrow account that will be used to implement SREC 2.

A second benefit of this bill is that it enables a safe and affordable solution to building more solar: portable, or balcony solar. Compact portable systems plug directly into a standard outlet and require no rooftop installation. Portable solar systems feed power into the home to offset consumption, reduce household electricity bills, and even mitigate climate warming emissions when paired with a battery. Balcony or portable solar appliances make solar more widely available to low-income Marylanders and to renters.

We urge you to support HB 345 to help ratepayers lower the cost and increase the access to clean, renewable energy, so important to the future of the state of Maryland.

We respectfully urge this committee to return a favorable report on HB 345.

HB0345_Affordable_Solar_Act_FAV.pdf
Uploaded by: Erica Bollerud
Position: FAV

Citizens' Climate Lobby
Maryland

TESTIMONY FOR HB0345

Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Bill Sponsor: Delegate Charkoudian
Committee: Environment and Transportation
Person Submitting: Erica Bollerud, Citizens' Climate Lobby Volunteer Group Leader
Position: FAVORABLE

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

FROM: Erica Bollerud, Citizens' Climate Lobby Silver Spring-Takoma Park Chapter

My name is Erica Bollerud. I am a resident of District 20. I am submitting this testimony in favor of HB0345 as a resident of Takoma Park, Maryland and as the group leader of the Silver Spring-Takoma Park Chapter of Citizens' Climate Lobby. Citizens' Climate Lobby is a national, nonpartisan, volunteer-driven climate advocacy group with over 3,000 Maryland members.

As a citizen lobbyist who cares deeply about accessible, equitable, effective climate solutions, I urge you to support HB0345. I am writing to support the provision of the bill that would legalize portable solar systems in particular. Portable solar (also known as 'balcony solar') could extend modular, safe, affordable and direct access to solar to many Maryland residents who are currently cut off from this source of clean energy.

These compact, portable solar systems plug directly into a standard outlet and require no rooftop installation. These systems feed solar generated power into the home to offset consumption, reducing household electricity bills, mitigating climate warming emissions, and, when paired with a battery, offering energy resilience to households.

Traditional rooftop solar is unavailable to many Marylanders, particularly renters, condo owners (like myself), lower-income households, and homeowners with shaded or otherwise unsuitable roofs. Legalizing balcony/portable solar projects will democratize access to solar to low income Marylanders, condo-owners and renters.

These solar systems have already been authorized by law in Utah, and bills to legalize them have been introduced in at least twenty other states in 2025-2026.

I strongly support this bill and recommend a FAVORABLE report in committee.

Respectfully submitted,

Erica Bollerud

Silver Spring-Takoma Park Chapter Leader

Citizens' Climate Lobby

Takoma Park, MD 20912

ECA testimony on HB0345 Affordable Solar.pdf
Uploaded by: Frances Stewart
Position: FAV

HB0345 - SUPPORT
Frances Stewart, MD
Elders Climate Action Maryland
frances.stewart6@gmail.com
301-718-0446

HB0345 – Affordable Solar Act

Meeting of the Environment and Transportation Committee

February 10, 2026

Dear Chair, Vice Chair, and Members of the Committee, on behalf of Elders Climate Action Maryland, I urge a **favorable** report on HB034, the Affordable Solar Act.

Elders Climate Action is a nationwide organization devoted to ensuring that our children, grandchildren, and future generations have a world in which they can thrive. The Maryland Chapter has members across the state.

Each day, we see the climate crisis more clearly. We know that Maryland is at risk for sea level rise, flooding from intense rainfall, heat waves, and other extreme weather events. Maryland can also be a leader in moving us to a safer, cleaner future where we all can thrive. The clean energy transition is an essential part of that future.

We are also acutely aware of the affordability challenges many Maryland households face. Rising utility bills are a large part of that problem. For those of us on fixed incomes, including many of our members, this is a growing concern.

HB0345 will accelerate Maryland's clean energy transition and address the affordability crisis by making it easier and more cost-effective for residents to use solar energy to reduce their electricity bills and for solar developers to bring new systems online, thereby increasing reliability, lowering costs, and making our grid cleaner.

Our current Solar Renewable Energy Credit (SREC) system is not sufficient to foster the solar development we need. This bill replaces SRECs with an SREC-II system, modeled on the successful program in New Jersey. It also establishes an escrow account for the proceeds, ensuring transparency and preventing utilities from passing on excessive costs to ratepayers.

We are especially excited about the portable solar ("balcony solar") provisions that would make solar energy accessible to many more people, including renters and homeowners whose roofs are not suitable for solar. Balcony solar has been amazingly successful in Europe and has been successfully brought to the United States by bipartisan legislation in Utah[1].

This bill is essential for moving Maryland from our current 7% to our goal of 50% by 2030. We strongly urge a **favorable** report on HB0345. Thank you for your time and consideration.

[1] A. new Utah bill allows portable solar power systems of up to 1 2 kWac to connect directly to 120V outlets without interconnection applications or utility fees et al., "Balcony Solar Gains Unanimous Bipartisan Support in Utah," *Pv Magazine USA*, March 5, 2025, https://pv-magazine-usa.com/2025/03/05/balcony-solar-gains-unanimous-bipartisan-support-in-utah/.

HB 345 - MoCo DEP - Howard (GA 26) FAV.pdf
Uploaded by: Garrett Fitzgerald
Position: FAV

Montgomery County
Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550 **ANNAPOLIS: 240-777-8270**

HB 345 **DATE: February 10, 2026**

SPONSOR: Delegate Charkoudian

ASSIGNED TO: Environment and Transportation Committee

CONTACT PERSON: Bryan Howard (bryan.howard@montgomerycountymd.gov)

POSITION: Support (Department of Environmental Protection)

Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

This bill authorizes the use of portable solar energy generating systems and allocates a portion of alternative compliance fees associated with Maryland's Renewable Portfolio Standard to be used by the Public Service Commission (PSC) to support new solar projects in Maryland.

Utility bills in Maryland continue to rise and have real impacts on families across the state. For example, the Maryland Office of People's Counsel reports that the recent PJM capacity auction will add an additional $2.50 monthly increase for residential customers in the Pepco service territory, on top of an approximately $14 monthly increase resulting from the last capacity auction. These increases strain the budgets of County residents and are not sustainable. Additional power generation is needed to help control these costs, but recent federal actions have eliminated clean energy tax credits, undercutting Maryland's solar industry.

The Affordable Solar Act provides innovative solutions to get more solar on the grid to help address electricity demands and reduce energy bills. The bill empowers residential customers to use portable solar systems if the equipment meets relevant safety standards and limits energy into the electrical system. Other states already allow portable solar under similar conditions and research suggests that systems like those allowed in the bill would not negatively impact the electrical distribution system.

The bill also creates a process managed by the PSC to catalyze new renewable energy projects through an auction-style approach that would deploy incentives in a cost-efficient manner focused on in-state projects. The County supports using alternative compliance fees for the intended purpose of funding renewable energy projects. Direct funding to expand solar generation will help meet State climate goals and growing demands for electricity.

We respectfully request that the Environment and Transportation Committee issue a favorable report on House Bill 345.

TESTIMONY FOR HB0345.pdf
Uploaded by: Gita Lefstein
Position: FAV

Testimony on House Bill – Favorable

HB 0345 – Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

House Environment and Transportation Committee

February 6, 2026

Dear Honorable Chair Korman, Vice Chair Guyton, and Members of the Committee,

My name is Gita Lefstein, and I am a resident of Baltimore County, Maryland. I am writing in support of HB0345, the Affordable Solar Act. One of the provisions of the bill is to make what is often referred to as "balcony solar" permissible in Maryland. Currently most people have to get their electricity through PJM regulated utilities. Because of PJM's mismanagement of the grid, electricity costs have skyrocketed and our electricity comes mainly from fossil fuels, rather than clean energy sources. PJM is accountable to energy producers, transmitters, and distributors, rather than to consumers and voters, so this is likely to continue. In other parts of the world, and in other parts of our country, clean energy sources, which are cheaper, quicker to build, and better for the environment, are taking off. It is important for Maryland not to be left behind. Many people are unable to have rooftop solar because of being renters, living in apartment buildings, not being able to afford rooftop solar, or other reasons. They should be able to take advantage of "plug in" or "balcony solar".

Thank you for your consideration of this bill.

Gita Lefstein

Healthy Climate Maryland SUPPORT for HB 345.pdf
Uploaded by: Healthy Climate Maryland N/A
Position: FAV

February 10, 2026

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

Mr Chair & Members of the Environment and Transportation Committee:

Healthy Climate Maryland supports HB 345, the Affordable Solar Act. We are supporting legislation this session that shifts the state away from using fossil fuels to generate energy. Late last year, Physicians for Social Responsibility alongside a number of national health organizations, released a new report detailing the health impacts of fossil fuel pollution. People living near fossil fuel burning facilities experience a daily assault from increased air pollution coupled with increased odor and noise, compounded with the impacts greenhouse gas emissions from these plants have on climate change. Supporting the deployment of more clean, renewable energy is the solution, and right now also the cheapest form of energy. The Affordable Solar Act right-sizes Maryland's solar market to spur development and initiates a portable solar program that makes solar more accessible to renters and lower income households.

Health Impacts of Fossil Fuel Emissions and Climate Change

Climate change impacts our health in myriad ways. As we state in our climate change overview factsheet, "**The main contributor to climate change is the burning of fossil fuels for energy, transportation, and industry**. Burning fossil fuels increases health hazards through climate instability and the pollution it generates. Pollutants like ozone and PM2.5 degrade air quality, contributing to a range of health problems." Hotter and drier conditions create fuel for wildfires, while hotter and wetter conditions expand habitats and ranges for mosquitoes and other disease-carrying vectors. Increased heat and air pollution from greenhouse gas emissions make it harder for people with respiratory illnesses to breathe, like children with asthma, pregnant people, and older adults. Increasing days with extreme heat lead to increased heat-related deaths, hospitalizations, and emergency room visits as well as their associated health care costs.

Costs of Climate Change, and Benefits of Climate Investments

In 2021, the Natural Resources Defense Council (NRDC) published a report that found that climate change and fossil fuel pollution result in $820 billion in health costs annually. This number reflects costs seen through premature deaths, medical care for treatment of physical and mental health conditions, rehabilitation and home health care, prescription medications, lost wages and worker productivity, and downstream health costs (e.g. homelessness after a disaster). And in contrast, **The American Lung Association estimates that transitioning to cleaner vehicles and energy sources could generate $1.2 trillion in health benefits, prevent 110,000 premature deaths, and avoid 13 million lost workdays.** These are not abstract numbers—they reflect the real-world gains we can achieve by protecting clean air and reducing emissions.

For these reasons, we urge a favorable report on HB 345.

About Healthy Climate Maryland

Mission: United by a shared commitment to the health and well-being of all Marylanders, our coalition of dedicated health professionals and allies seeks to address climate change and environmental threats by focusing on their impacts on public health.

Vision: Maryland is leading the nation in clean air and water and climate resiliency as a result of equitable policies, personal actions, and advocacy in communities across the state. We are taking all possible measures to protect the health of everyone in Maryland, and the health of our climate

Howard County Climate Action - HB345 Affordable So

Uploaded by: HoCo Climate Action Organization

Position: FAV

HoCoClimateAction.org
Howard County, Maryland

Testimony: HB345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Hearing Date: February 10, 2026
Bill Sponsor: Delegate Charkoudian
Committee: Environment and Transportation
Submitting: Monica O'Connor for Howard County Climate Action
Position: Favorable

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

HoCo Climate Action is a 350.org local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the Climate Justice Wing of the Maryland Legislative Coalition. Our organization works with residents and ally organizations to promote a safe climate and clean energy future. Specifically, we have worked extensively on building electrification to help Maryland achieve its ambitious climate goals, including net-zero emissions.

We urge you to vote **favorably** on HB345- Affordable Solar Act

Maryland residents are increasingly burdened by high utility bills that continue to rise at a greater rate than inflation, with the burden falling especially hard on working class families. Meanwhile, the Trump administration remains fixated on thwarting the lowest cost and fastest to develop sources of new electricity generation - solar energy and windpower. HB345 directly addresses each of these issues, by making it easier and more cost-effective for residents in the state to utilize solar energy to reduce their utility bills for decades to come, and incentivizing new commercial and utility-scale generation that will increase reliability, lower the wholesale cost of electricity in the region, and delay the need for expensive new transmission capacity in the state.

The bill does this in several ways. First, it restructures the current Renewable Portfolio Standard (RPS) by directing the Public Service Commission (PSC) to create administratively determined incentive levels for Solar Renewable Energy Credits (SRECs). This follows the lead of multiple states such as New Jersey, which have similarly made their RPS more cost effective using this new structure. The incentives will be tailored according to market segments such as residential, non-residential, and community solar, making the program more cost effective for the ratepayer, while ensuring forward-looking market growth. For larger, utility-scale projects, it directs the PSC to conduct a competitive procurement, driving down the cost of the incentive and creating the best value for the ratepayer. This will spur 4,000MW of new, in-state generation, reducing

our dependence on out-of-state imported energy, while creating good paying Maryland-based jobs.

Secondly, it creates a new clean energy fund administered by the major utilities, and directs all proceeds from the Strategic Energy Investment Fund to this fund, which can only be used to build new, cost effective, in-state clean energy generation. In this way, funds that are paid by the ratepayer for clean energy investment can only be used for this purpose.

Finally, it opens the market for Portable Solar Energy Systems, allowing our low and moderate income renters and condo residents to utilize consumer friendly options for solar that don't involve permits, contractors or interconnection agreements. These systems, which will likely be available at major retailers such as Costco and Walmart, are UL listed for safety, and can literally be pulled out of the box and plugged into a standard 120v outlet. This will reduce the burden of utility bills for those that rent their homes, or don't have the means or ability to contract for a larger solar installation.

HB345 also ensures that our labor force earns good paying wages for building out our clean energy future. The bill will help to get us back on track to fulfil the goals of the Climate Solutions Now Act. And, most importantly, will help to turn the tide on rising utility bills, helping our most vulnerable residents and working families with greater energy affordability.

The Energy Information Administration has just released a new report, forecasting that solar, wind and battery storage will provide over 99% of new electricity generating capacity in the U.S. in 2026. The reason for this is simple: Clean energy generation is the cheapest form of new generating capacity. And states that pivot away from fossil fuels and other expensive forms of generation will be the ones to reap the benefits of lower electricity costs far into the future.

For these reasons, **we urge a favorable report on HB345, the Affordable Solar Act.**

HB345_FAV_Iman_Habib.pdf
Uploaded by: Iman Habib
Position: FAV

PROGRESSIVE MARYLAND
P.O. Box 7595, Largo MD 20792
ProgressiveMaryland.org
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Bill Title: HB345 Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Position: SUPPORT (FAV)
To: Environment and Transportation Committee
From: Iman Habib, Climate Policy Analyst on behalf of Progressive Maryland
Date: February 5, 2026

Dear Chair Korman and members of the Environment and Transportation Committee,

I am Iman Habib—Climate Policy Analyst for Progressive Maryland which is a member-led, power-building organization that advocates for working class people tackling a plethora of issues, including energy affordability. We have over 125,000 members across the state with substantial membership bases in Baltimore City, Prince George's, Montgomery, Frederick, and Harford counties, and the Eastern Shore. We have also organized five tenant unions across Montgomery County and Prince George's, and have heard from renters on the ground that soaring energy bills are one of the primary determinants for the affordability crisis they find themselves in. For these reasons, **we are urging a favorable report on House Bill 345** which will promote solar build out in Maryland, making the future of affordability auspicious and the path toward a clean energy future propitious.

For our members who do not own property and are struggling to make ends meet, the portable solar provision in this bill is of crucial importance. HB345 enables the deployment of *portable solar*, which, unlike *rooftop solar*, can be plugged into any building outlet, and will enable renters who do not own their property to have access to clean energy. For residents who live in low-income, multi-family housing and rent their homes, this bill is critical in making a clean energy future accessible to underserved communities. When renters are able to use their own clean energy source to generate electricity, this reduces their reliance on utilities which are providing fossil-fuel powered electricity and charging higher rates.

These savings could be repurposed toward other necessities such as doctor's appointments, daycare, insurance payments, groceries, or other essential services working-class Marylanders may not otherwise have the means to afford. Moreover, the diversion from fossil-fuel-derived energy to clean alternatives like solar present additional environmental and health benefits and promote community health and well-being. **For these reasons, Progressive Maryland is in strong support of House Bill 345.**

Ceres Testimony HB345 - Solar.pdf
Uploaded by: Jeff Mauk
Position: FAV

HB345 – SUPPORT
Jeff Mauk
Ceres
jmauk@ceres.org

TESTIMONY SUPPORTING HB345:
Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

House Environment and Transportation Committee
February 10th, 2026

Dear Chair Korman, Vice Chair Guyton, and members of the Environment and Transportation Committee,

I write today on behalf of Ceres to respectfully urge a favorable report from the Committee on HB345, the Affordable Solar Act. Ceres is a nonprofit organization that works with investors, companies, and financial leaders to promote sustainability solutions. Through our Business for Innovative Climate and Energy Policy Network (BICEP), we mobilize over 80 major employers, including several companies doing business in MD, to advocate for more affordable and sustainable climate and clean energy policies.

Executive Summary
This legislation represents a critical opportunity to strengthen MD's clean energy economy, attract millions in private investment, create thousands of good-paying jobs, and provide substantial long-term savings for MD businesses and ratepayers.

From a business perspective, HB345 delivers three compelling outcomes:

- Market certainty through a predictable procurement schedule that enables project financing and development
- Economic development through 4,000 MW of new solar deployment, creating jobs and additional tax revenue
- Ratepayer protection through competitive procurement, cost caps, and built-in benefits from avoided capacity costs

Market Certainty Drives Investment and Lower Costs

The renewable energy industry has demonstrated that market certainty reduces financing costs and project prices. HB345's structured procurement schedule provides the visibility that developers, manufacturers, and financiers need to commit capital efficiently.

For the distributed solar market, the administratively determined incentive (ADI) program creates a stable, transparent pathway for residential, commercial, and community solar projects. Fixed pricing for 15 years allows businesses to:

- Secure favorable debt financing with predictable revenue streams
- Reduce equity requirements through lower risk premiums
- Scale operations and workforce with confidence
- Pass savings to customers through lower installed costs

Job Creation and Economic Development

The deployment of 4,000 MW of new solar capacity potentially represents millions of dollars in private capital investment in MD over the next decade. This investment will generate:

- Direct construction jobs: Thousands of skilled positions in electrical work, installation, project management, and engineering. The bill's prevailing wage and apprenticeship requirements ensure quality jobs with family-sustaining wages while developing MD's clean energy workforce.
- Operations and maintenance employment: Long-term positions for the 15-25 year life of these facilities, providing stable careers in communities across MD.
- Supply chain and service industries: Expanded opportunities for MD companies in manufacturing, logistics, engineering, legal services, finance, and insurance.
- Tax revenue: Significant new property tax revenue for local governments hosting solar projects, providing funding for schools, infrastructure, and public services without burdening residents.

Energy Price Stability and Hedge Against Volatility

Solar energy provides MD businesses and consumers with a powerful hedge against fossil fuel price volatility. Unlike natural gas generation, where fuel costs can spike dramatically due to supply disruptions, geopolitical events, or market manipulation, solar has zero fuel costs. The fixed-price SREC-II contracts lock in energy costs for 15 years, providing certainty for business planning and protecting ratepayers from future price shocks.

This price stability is particularly valuable given:

- Increasing volatility in natural gas markets

- Growing global competition for liquified natural gas (LNG)
- Potential carbon pricing or emissions regulations that could increase fossil fuel costs

Supporting MD Business Competitiveness

MD businesses increasingly view clean energy access as essential to their competitiveness. Major corporations are setting aggressive carbon reduction targets and seeking to source renewable energy for their operations. HB 345 helps MD businesses:

- Meet sustainability commitments: Access to in-state solar generation enables MD companies to achieve their climate goals while supporting the local economy.
- Attract and retain talent: Workers, particularly younger employees, increasingly prefer companies with strong environmental credentials.
- Reduce energy costs: Community solar and distributed generation options allow businesses of all sizes to access solar energy without capital investment.
- Enhance competitiveness: Companies can market their MD operations as powered by clean energy, meeting customer and investor expectations.

Regional Competitiveness

MD risks falling behind neighboring states in clean energy deployment. Virginia has established aggressive solar targets and attracted billions in private investment. New Jersey and Delaware also have substantial solar procurement programs. Without HB345, MD loses economic development opportunities to competing states.

Conclusion

House Bill 345 represents sound economic policy that delivers measurable benefits to MD businesses, workers, and ratepayers. The legislation's combination of market certainty, competitive procurement, cost controls, and workforce development creates the foundation for sustainable solar industry growth.

From a business perspective, the Affordable Solar Act provides:

- Predictable markets that reduce financing costs and project prices
- Substantial job creation and economic development
- Protection for ratepayers through hard cost caps and competitive procurement
- Long-term price stability and hedge against fossil fuel volatility
- Support for MD business competitiveness and sustainability goals

Ceres urges the Committee to issue a favorable report on HB345. This legislation represents a critical investment in MD's economic future, creating quality jobs, attracting private capital, and delivering affordable clean energy to MD families and businesses.

Respectfully submitted,

Jeff Mauk
Director, State Policy, Eastern Region, Ceres

HB0345 Testimony JVJohnson.pdf
Uploaded by: Jeffrey Johnson
Position: FAV

TESTIMONY FOR HB0345
Public Utilities
Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Bill Sponsor: Delegate Charkoudian
Committee: Environment and Transportation
Organization Submitting: Chesapeake Earth Holders
Person Submitting: Jeffrey V. Johnson, co-founder and board member
Position: **FAVORABLE**

My name is Dr. Jeffrey V. Johnson and I live in Maryland Legislative District 10 in upper Baltimore County. I am submitting this testimony in favor of HB0345 on behalf of the Chesapeake Earth Holders Community, a member of the Maryland Legislative Coalition and the Interfaith Power and Light DMV network of faith based congregations. Our members throughout Maryland strongly support the Affordable Solar Act. We have all been shocked at the rising utility bills that have occurred in the past year. Although some of us have already invested in solar panels for our homes, many of us live in apartments or in homes that do not allow for the installation of roof top solar. This bill would help so many Marylanders who have wanted to move to solar power but have been unable to do so for both practical and financial reasons. This bill would particularly help those who are renting, or who can't really afford expensive roof top systems. The Affordable Solar Act would extensively broaden the base of those who are able to benefit from this form of clean energy.

On a more personal note, I am a 77 year old retiree living on the western edge of Baltimore County in upper Reistertown. We have long power lines going out to the road and experience frequent power outages as do many others in the rural parts of our state. It would be a wonderful addition to our home if we could have a portable solar power system that we could afford along with batteries when the power goes out. For me and my neighbors the Affordable Solar Act has real benefits on a practical level.

By expanding the pool of Maryland Citizens who are using new types of portable solar systems the whole grid gets stronger because more and more people can pump some of their new, clean energy back into it. For all of these reasons we strongly support this bill and recommend a **FAVORABLE** report in committee.

hb0341_mdsierraclub_fav-10feb2026.pdf
Uploaded by: Josh Tulkin
Position: FAV

SIERRA CLUB
MARYLAND CHAPTER

P.O. Box 278
Riverdale, MD 20738

Committee: Environment and Transportation
Testimony on: HB 341 -- Affordable Solar Act
Position: Support
Hearing Date: February 10, 2026

The Maryland Chapter of the Sierra Club urges a favorable report for HB 341, the Affordable Solar Act. This follow-up to the 2023 Brighter Tomorrow Act strengthens the pathway to cost-effective, local, and clean solar power, from residential rooftop to utility-scale.

Maryland is falling behind on its ambitious clean energy goals.[1] In order to get back on track, Maryland needs to drive a significant expansion of solar energy in all forms—both utility-scale and behind-the-meter. Grid reliability, and costs faced by ratepayers, are both being jeopardized by growing demand, particularly from data centers in our multi-state region.[2] Reducing our reliance on dirty fuels is also crucial to reduce the serious health impacts associated with air pollution.[3]

Solar energy has become the world's cheapest power source, and its increased coupling with ever-improving batteries has made solar-and-storage projects cost-competitive with gas peaker plants.[4] However, current federal policy is promoting fossil fuel energy while opposing renewables.[5,6,7] It is incumbent upon Maryland to respond to the challenges created by federal policy while meeting the state's need for affordable, clean energy.

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[1] Maryland Energy Administration, *Reaching 100 Percent Net Carbon-Free Electricity in Maryland,* (Maryland Energy Administration, 2025) https://energy.maryland.gov/Reports/MEA%20100%20Clean%20Electricity%20Report.pdf
[2] Rachel McCrea, "Maryland lawmakers push for new power amid concerns about high costs." *Capital News Service,* April 2, 2025, https://cnsmaryland.org/2025/04/02/maryland-lawmakers-push-for-new-power-amid-concerns-about-high-costs/
[3] American Lung Association, "New Report on Air Pollution in Maryland: For Ozone Smog, Thirteen of 15 Graded Counties Post Worse Results; All Graded Counties Post Worst Results for Both Daily & Year-Round Particle Pollution," press release, April 23 2025, https://www.lung.org/media/press-releases/2025-md-sota
[4] University of Surrey, "Solar energy is now the world's cheapest source of power, study finds." *Tech Xplore,* October 6 2025, https://techxplore.com/news/2025-10-solar-energy-world-cheapest-source.html
[5] Maxine Joselow and Lisa Friedman, "Trump Halts 5 Wind Farms Off the East Coast," *The New York Times,* December 22 2025, https://www.nytimes.com/2025/12/22/climate/trump-offshore-wind-farms.html
[6] Jake Spring, "Trump administration limits subsidies for solar, wind projects," *The Washington Post,* August 15 2025 https://www.washingtonpost.com/climate-environment/2025/08/15/tax-credits-renewable-energy-projects/
[7] Spencer Kimball, "Trump megabill gives the oil industry everything it wants and ends key support for solar and wind," *CNBC,* July 3 2025, https://www.cnbc.com/2025/07/03/trump-one-big-beautiful-bill-oil-gas-coal-solar-wind-ira-tax-incentive-repeal.html?msockid=339a416a464267c32782540947db66aa

This bill responds to this need in multiple ways:

- It reforms the current incentive (Solar Renewable Energy Credit, or SREC) program in a manner that protects ratepayers and ensures solar incentives are effectively tailored to each market segment (i.e., rooftop, community, and utility-scale). It does so in two ways:
    - 1) Directing the PSC to conduct competitive procurements for utility-scale solar, thereby ensuring value for ratepayers; and
    - 2) Directing the PSC to establish and regularly recalculate incentive prices for rooftop and community solar based on changes in federal policy and the market.
- It shifts funds paid by ratepayers (through their utilities) in the form of Alternative Compliance payments (ACPs) into an escrow account that will be used to implement this new solar procurement model. In so doing, it ensures that ACPs are used for their intended use—procuring renewable energy—instead of being redirected for other purposes.
- Finally, it would legalize balcony solar[8] in Maryland. Also known as plug-in solar, this technology is popular in Germany and the Utah legislature approved its usage in the state with bipartisan support.[9] It creates the possibility for renters—as well as homeowners who cannot have rooftop solar—to generate solar power without permitting or installation costs. For many renters, balcony solar can meet 10-30% of their electricity needs and travel with them if they move.

By putting the right incentives in place for utility-scale, community, and rooftop solar, in addition to enabling balcony solar, the Affordable Solar Act will accelerate Maryland's clean energy transition and move us towards our climate goals. The Maryland Chapter of the Sierra Club strongly supports HB 0341. We urge a favorable report.

Bruce Daggy
Energy Team Member
Brucedaggy@gmail.com

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

[8] Dana Drugmand, "Plug-In Solar Power Could Be Coming to a Balcony Near You," *Sierra Magazine* November 7 2025, https://www.sierraclub.org/sierra/plug-solar-power-could-be-coming-balcony-near-you
[9] John Fitzgerald Weaver, "Balcony solar gains unanimous bipartisan support in Utah," *pv magazine USA,* March 2 2025 https://pv-magazine-usa.com/2025/03/05/balcony-solar-gains-unanimous-bipartisan-support-in-utah/

HB345 Affordable Solar Act - Favorable.docx.pdf
Uploaded by: Karl Held
Position: FAV

CLIMATE COALITION
Montgomery County, MD

Bill: HB345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credit (Affordable Solar Act)
House Committee: Environment and Transportation
Organization: Climate Coalition, Montgomery County
Submitting: Karl Held
Position: Favorable
Hearing Date: February 10,2025

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

The Climate Mobilization, Montgomery County (TCM) urges to vote **favorably** on HB345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). This bill will help establish the foundation Marylanders need to join the transition to clean and affordable energy that our times demand.

Marylanders are ready for change. Right now, Maryland families face some of the highest electricity costs in the nation and those costs keep rising. Electricity capacity auctions have cleared at record-high prices for the second year in a row.

Maryland families deserve real solutions that give us control over our energy future, not just more expensive bills.

We are ready to build a system that protects ratepayers while moving forward with clean energy. The bill does this in several ways.

First, it restructures the current Renewable Portfolio Standard (RPS) by directing the Public Service Commission (PSC) to create administratively determined incentive levels for Solar Renewable Energy Credits (SRECs). This follows the lead of multiple states such as New Jersey, which have similarly made their RPS more cost effective using this new structure. The incentives will be tailored according to market segments such as residential, non-residential, and community solar, making the program more cost effective for the ratepayer, while ensuring forward-looking market growth. For larger, utility-scale projects, it directs the PSC to conduct a competitive procurement, driving down the cost of the incentive and creating the best value for the ratepayer. This will spur 4,000MW of new, in-state generation, reducing our dependence on out-of-state imported energy, while creating good paying Maryland-based jobs.

Secondly, it creates a new clean energy fund administered by the major utilities, and directs all proceeds from the Strategic Energy Investment Fund to this fund, which can only be used to build new, cost effective, in-state clean energy generation. In this way,

funds that are paid by the ratepayer for clean energy investment can only be used for this purpose.

Third, HB345 makes solar energy accessible to everyone independently of owning a house or not. The portable solar provisions open the door for renters to finally participate in the clean energy economy. A typical balcony system can reduce apartment electricity bills by 10-30%. We believe energy independence should be available to all Marylanders, not just those who own homes, and this bill breaks down such barriers that have kept solar access out of reach.

For these reasons, TCM urges a **Favorable** report on HB345. Thank you for your consideration.

MF_HB 345_ Affordable Solar Act.pdf
Uploaded by: Kathy Kinsey
Position: FAV

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

HB0345 - SUPPORT.pdf
Uploaded by: Kristin Cook
Position: FAV

HB0345 - SUPPORT

Kristin Cook
350 Montgomery County
350MoCo@gmail.com

Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Environment and Transportation Committee
February 10th, 2025

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

On behalf of 350 Montgomery County*, I urge a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). We are confident that HB0345 provides real solutions to our increased energy demands and rising electricity costs. Most importantly, HB0345 gives Marylanders control over our energy future and allows us to be leaders on clean energy.

As you are aware, Maryland families face some of the highest electricity costs in the nation with no signs of this trend ending.[1] HB0345 offers cost protection to ratepayers while moving forward with energy that does not contribute to global warming or pollute our environment. And **solar energy is the fastest and most cost effective way to build new electricity generation.** The key to ensuring rate protection is HB0345's creation of an escrow account system that provides transparency and prevents utilities from passing excessive costs to customers.

A truly outstanding feature of HB0345 is that it makes solar energy accessible to everyone independently of owning a house. We believe energy independence should be available to *all* Marylanders and this bill breaks down the barriers that have kept solar access out of reach for many. The Affordable Solar Act provides energy justice by enabling portable solar, also known as **balcony solar which opens the door for renters to participate and benefit in the clean energy economy.** A typical balcony system can reduce apartment electricity bills by 10-30%.

[1]Maryland named most expensive state for utilities, report finds.
https://foxbaltimore.com/news/local/maryland-named-most-expensive-state-for-utilities-report-finds

*350MoCo's mission is to solve the climate crisis by working to address its root causes, including economic and social inequity. We are the Montgomery County chapter of the non-profit, citizens' activist group 350.org, with nearly 2,000 local supporters. Visit us at 350MoCo.org.

Compact portable systems plug directly into a standard outlet and require no rooftop installation. These projects have already been authorized by law in Utah and are even sold at IKEA now due to their popularity and ease of use.[2]

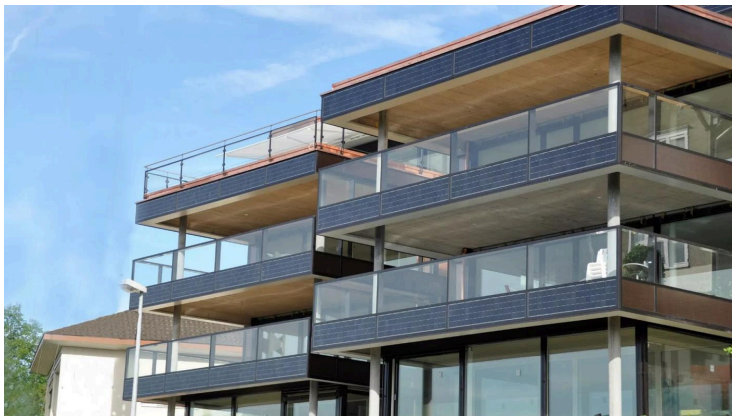
Finally, the federal administration has launched an assault on ratepayers across the nation by increasing taxes on clean energy projects and throwing up arbitrary roadblocks to getting them built. Let's have Maryland fight back and prove that we are committed to lowering utility bills and advancing clean energy.

For all of these reasons, we urge a favorable report on HB0345.

Thank you for your careful consideration.

Sincerely,

Kristin Cook
Steering Committee Member of 350MoCo



[2]Balcony solar took off in Germany. Why not the US?
https://grist.org/energy/balcony-solar-took-off-in-germany-why-not-the-us/

HB345_Affordable Solar Act_E&T_CJW FAV.pdf
Uploaded by: Laurie McGilvray
Position: FAV

Testimony on: HB345 - Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Committee: Environment & Transportation
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Richard Deutschmann
Position: Favorable
Hearing Date: February 10, 2026

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

We are providing our testimony today in strong support of HB345, the Affordable Solar Act. The Maryland Legislative Coalition Climate Justice Wing is a statewide coalition of 32 grassroots and professional organizations focused on climate justice and we urge you to vote favorably on HB345.

Maryland is facing an affordability crisis, as utility bills continue to rise at a greater rate than inflation, with the burden falling especially hard on working class families. Concurrently, the Trump administration continues its assault on the lowest cost and fastest to develop sources of new electricity generation - solar energy and windpower.

HB345 directly addresses each of these issues, by making it easier and more cost-effective for residents in the state to utilize solar energy to reduce their utility bills for decades to come, and incentivizing new commercial and utility-scale generation that will increase reliability, lower the wholesale cost of electricity in the region, and delay the need for expensive new transmission capacity in the state.

The bill does this in several ways. First, it restructures the current Renewable Portfolio Standard (RPS) by directing the Public Service Commission (PSC) to create administratively determined incentive levels for Solar Renewable Energy Credits (SRECs). This follows the lead of multiple states such as New Jersey, which have similarly made their RPS more cost effective using this new structure. The incentives will be tailored according to market segments such as residential, non-residential, and community solar, making the program more cost effective for the ratepayer, while ensuring forward-looking market growth. For larger, utility-scale projects, it directs the PSC to conduct a competitive procurement, driving down the cost of the incentive and creating the best value for the ratepayer. This will spur 4,000MW of new, in-state generation, reducing our dependence on out-of-state imported energy, while creating good paying Maryland-based jobs.

Secondly, it creates a new clean energy fund administered by the major utilities, and directs all proceeds from the Strategic Energy Investment Fund to this fund, which can only be used to

build new, cost effective, in-state clean energy generation. In this way, funds that are paid by the ratepayer for clean energy investment can only be used for this purpose.

Finally, it opens the market for Portable Solar Energy Systems, allowing our low and moderate income renters and condo residents to utilize consumer friendly options for solar that don't involve permits, contractors or interconnection agreements. These systems, which will likely be available at major retailers such as Costco and Walmart, are UL listed for safety, and can literally be pulled out of the box and plugged into a standard 120v outlet. This will reduce the burden of utility bills for those that rent their homes, or don't have the means or ability to contract for a larger solar installation.

HB345 also ensures that our labor force earns good paying wages for building out our clean energy future. The bill will help to get us back on track to fulfil the goals of the Climate Solutions Now Act. And, most importantly, will help to turn the tide on rising utility bills, helping our most vulnerable residents and working families with greater energy affordability.

The Energy Information Administration has just released a new report, forecasting that solar, wind and battery storage will provide over 99% of new electricity generating capacity in the U.S. in 2026. The reason for this is simple: Clean energy generation is the cheapest form of new generating capacity. And states that pivot away from fossil fuels and other expensive forms of generation will be the ones to reap the benefits of lower electricity costs far into the future.

For these reasons, we urge a favorable report on HB345, the Affordable Solar Act.

350MoCo
Adat Shalom Climate Action
Cedar Lane Unitarian Universalist Church Environmental Justice Ministry
Chesapeake Earth Holders
Chesapeake Physicians for Social Responsibility
Climate Parents of Prince George's
Climate Reality Project
ClimateXChange
Coming Clean Network, Union of Concerned Scientists
DoTheMostGood Montgomery County
Echotopia
Elders Climate Action
Fix Maryland Rail
Glen Echo Heights Mobilization
Greenbelt Climate Action Network
HoCoClimateAction
IndivisibleHoCoMD
Maryland Legislative Coalition
Maryland Third Act
Mizrahi Family Charitable Fund
Mobilize Frederick
Montgomery County Faith Alliance for Climate Solutions

Montgomery Countryside Alliance
Mountain Maryland Movement
Nuclear Information & Resource Service
Progressive Maryland
Safe & Healthy Playing Fields
Takoma Park Mobilization Environment Committee
The Climate Mobilization MoCo Chapter
Unitarian Universalist Legislative Ministry of Maryland

HB345 (Affordable Solar Act) SEIA Favorable.pdf
Uploaded by: Leah Meredith
Position: FAV

February 6, 2026

Delegate Marc Korman
Chair
House Environment & Transportation Committee
250 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

Delegate Michele Guyton
Vice Chair
House Environment & Transportation Committee
251 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: SEIA Support for HB345: Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

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

I am writing on behalf of the Solar Energy Industries Association (SEIA) in **support** of HB345 (Charkoudian), also known as the Affordable Solar Act. It was referred to the House Environment and Transportation Committee on January 19, 2026.

Founded in 1974, SEIA is the national trade association for the solar and storage industries, building a comprehensive vision for the advancement of these technologies. As the voice of the industry, SEIA works to support solar and energy storage as they become a mainstream and significant energy source by expanding markets, reducing costs, increasing reliability, removing market barriers, and providing education on the benefits and capabilities of solar and energy storage technologies. We work with our 1,200+ member companies, which include solar and storage manufacturers, service providers, residential, community and utility-scale solar developers, installers, construction firms, and investment firms, as well as other strategic partners, to shape fair market rules that promote competition and the growth of reliable, low-cost energy storage and solar power.

Maryland Energy Landscape

After a history of flat, or even declining, electricity consumption, the United States' power grid is currently experiencing its largest demand growth in eighty years, driven largely by massive data centers, new manufacturing facilities and cutting-edge innovations in artificial intelligence and cryptocurrency mining. This increase in electricity demand is both occurring faster than new generation is being brought online while also coinciding with the retirement of several large scale power plants in the PJM region. The mismatch in electricity supply and forecasted demand is in large part attributable to years of policy decisions and inactions at PJM, the regional transmission organization and independent system operator that manages the electric transmission grid for thirteen states and the District of Columbia, including Maryland. The PJM interconnection queue is currently so backlogged that, in 2023, PJM announced it would cease to accept applications for new generation projects. As a result, PJM now has a roughly 5 year wait time from application to approval for new generation sources coming online, resulting in hundreds of gigawatts (GW) of planned capacity, largely wind, solar, and storage assets, sitting in limbo rather than being able to service Maryland's electric load requirements. Given this delay, projects which were ready to

be deployed at the time of their application are often no longer viable due to changing economic realities by the time of their approval. As a result, Marylanders now face significant increases in their energy costs after decades of relatively stable electricity prices. This spike is exemplified by the 2025/2026 PJM capacity auction, which saw a 900% increase from previous years. The 2026/2027 capacity auction continued to push costs higher, closing at a record high of $329.17/MW-day cap, a 22% increase over the previous record breaking year, which will eventually be passed on to Maryland ratepayers as a portion of their utility bill.

Maryland is reliant on electricity generation from the other PJM states, with the state importing approximately 40% of its electricity needs. Meeting Maryland's energy needs and staving off continued dramatic increases in energy costs will require the rapid deployment of an "all of the above" energy strategy. Such a strategy must include solar and energy storage assets, which are among the only energy resources currently primed to cost effectively address the state's near-term energy challenges. 47% of the planned grid additions through 2030 are solar projects, due, in part, to the 37% decrease in the price of solar photovoltaics over the last decade. However, Maryland's current Renewable Energy Portfolio Standard (RPS), despite being amended multiple times since its enactment, is no longer the right policy framework to meet Maryland's near-term resource adequacy needs.

Maryland's Broken RPS

When Maryland's RPS was first enacted twenty years ago, the newly created renewable energy credits (RECs) were a powerful tool in jumpstarting renewable energy generation in the state. RECs are a market-based instrument that represent the social and other non-power attributes of renewable electricity generation. RECs are issued when 1 megawatt-hour (MWh) of electricity is generated from a renewable energy resource and are acquired by the electric load serving entities (utilities and retail energy suppliers) to show compliance with the RPS. Maryland's RPS also created a carveout for meeting solar-specific targets, thus creating the Solar Renewable Energy Credit (SREC). To comply with Maryland's RPS, electricity suppliers must acquire RECs derived from Maryland-certified Tier 1 and Tier 2 renewable sources, with the state's 14.5% solar carveout being a subset of Tier 1. Not meeting the necessary RPS requirements obliges Maryland's electric load serving entities to pay an alternate compliance payment (ACP) penalty.

In recent years Maryland's RPS obligations have increasingly been satisfied by ACPs, with the $365 million paid in ACPs in 2024. The rise in ACP payments represents a shift in how electricity suppliers comply with Maryland's RPS obligations, electing to pay ACPs rather than retire RECs due to the inability to purchase RECs at prices lower than the ACP. As a result, Maryland ratepayer dollars are funneled away from directly investing in new renewable energy generation and towards ACP penalties, which are deposited into the Maryland Strategic Energy Investment Fund.

Affordable Solar Act Summary

The Affordable Solar Act addresses the cost and administrative inefficiencies of Maryland's current RPS by providing a new pathway for linking in-state electric consumption with in-state electricity generation and

establishing a methodology to right-size incentives for new solar energy projects, rather than taking a "one-size fits all" approach as currently exists in Maryland's SREC market, where a single REC equates to 1 MWh of electricity generation. The Affordable Solar Acts SREC-II and REC-II acknowledges the needs of the different solar market segments and project types by ensuring individual projects can receive the incentives they need to come online, while ensuring unneeded incentives are not passed through to ratepayers.

Under the Affordable Solar Act, utility-scale projects will be issued a guaranteed fixed price contract by the Maryland Public Service Commission (PSC), subject to competitive procurement bids including cost-benefit analyses, other criteria such as brownfield siting, and a requirement that projects directly serve Maryland load. This process minimizes cost to ratepayers while ensuring the project is economically viable. The procurement also includes labor protections and community benefit agreements. SREC-II and REC-IIs are subsequently issued to these projects, which will operate to make up the difference between the fixed price issued by the PSC and market price sales for electricity to ensure project viability. This approach to utility-scale incentive-setting has been successful in other states, including Massachusetts, New Jersey, and Illinois. The Affordable Solar Act builds upon these proven successes.

Distribution scale solar projects are subject to an Administratively Determined Incentive (ADI) set by the PSC. ADIs are set for projects within given capacity blocks – groupings of market sectors – to ensure broad growth of distributed generation across the state. Through setting the value of an ADI, the PSC can tailor the incentive amount a given project receives for each of the identified market sectors, allowing for a balancing between the amount of incentives required to promote market growth across the sectors, without overly burdening ratepayers with incentive costs that exceed economic requirements for development. As is the case with competitive procurement for utility scale projects, the ADI model has been successful in other states to ensure ratepayer protection alongside promoting renewable generation construction to meet the state's load.

The Affordable Solar Act allows for project flexibility and targeted incentives to spur solar development, ensuring that energy projects will directly benefit the state's energy requirements and directly benefit ratepayers. This pathway allows for flexibility to respond to future energy demands and provides near-term solutions to Maryland's resource adequacy challenges. For these reasons, SEIA strongly supports this legislation and respectfully urges the Committee to issue a favorable report on HB345, the Affordable Solar Act. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Leah Meredith

Leah Meredith
Mid-Atlantic Regional Director
Solar Energy Industries Association
lmeredith@seia.org

HB345_Charkoudian_INFO
Uploaded by: Lorig Charkoudian
Position: FAV

Background

Delegate Lorig Charkoudian is introducing legislation this session that establishes two solar procurement processes to develop new solar projects in the State to be overseen by the Maryland Public Service Commission ("PSC"). One procurement process is for larger solar projects (utility scale) and is a RFP model. The other procurement process is the provision of administratively determined credits/incentives similar to a model used in New Jersey. Additionally, the proposed legislation closes the existing solar renewable energy credit ("SREC") market to new projects and obligates the utilities to purchase the SRECs from the grandfathered facilities at the alternative compliance price for SRECs. Finally, the proposed legislation will have ACPs for non-SRECs retained in an escrow account to be used as an offset to the new and old program costs instead of directed to the Strategic Energy Investment Fund ("SEIF").

The PSC was asked what an estimated cost of the programs may be and the net impact of the offsetting ACPs from non-solar RECs in the draft legislation. The following document contains cost estimates for the draft revised SREC market legislation.

These are rough estimates that can serve as ballparks, and they should not be considered precise projections. Please note that due to the volatile nature of the current solar market (loss of ITC/PTC) and that several assumptions were made, there is a limit to the validity of the cost estimates at this time.

Additionally, the Delegate connected the PSC with an energy company RWE Clean Energy who provided public estimated costs to develop new utility scale solar. This information provided by RWE was used in the analysis though the PSC makes no findings about the appropriateness of the values at this time.

Estimated Cost of the Revised Solar Programs

Administratively determined RECs:

Both New Jersey (NJ) and Delaware (DE) conduct programs to procure RECs from smaller solar systems. The NJ RECs are determined administratively while DE recs are determined through a bid process. For this process, the NJ REC prices were for 2025 and the DE REC prices were from 2024, though DE did just release its resulting costs for 2025. There was no attempt to modify these values for any future changes that may occur for developer views of the financing or energy markets nor to determine how the final values arrived at in the future through a PSC administrative process may differ from these. These estimates were utilized to represent similar efforts to attract similar positioned smaller solar systems. A detailed survey of other approaches was not completed.

Both NJ and DE provide RECs for different types of small solar installations. For purposes of the cost estimates used in this analysis, the $110 MWh price from NJ, which was for less than 1 MW DC systems, was selected (Small Net-Metered Non-Residential located on Rooftop, Carport, Canopy and Floating Solar), which represents the highest cost. The prices of the NJ process ranged from $80 - $110 MWh depending upon the system type, excluding a $20 public entities adder.[1] For DE the analysis used the weighted average price of $43.80 MWh from 2024.[2] Please note that in Dec 2025, DE posted a weighted average result of $32.69, which would reduce the cost estimates in this document using DE's values.[3] Please note both prices may assume the federal incentives were still in place and an adder may be appropriate for these but none was added at this time due to lack of insight into how that would impact these values.

Utility Scale Solar RFP process

For the utility scale RECs the prices used were provided by RWE as discussed previously. They provided a range of cost estimates from public and private (paid) sources. There was no examination of the validity of these estimates. A cost estimate for the Utility Scale Program used both the cheapest and most expensive cost quoted. Please note that RWE was able to call out specifically the loss of the federal incentive for the higher cost estimate (no similar adjustment was called out for the lower cost estimate).

Grandfathered System Costs

This represents costs of systems installed before the two new programs take effect January 1, 2028. It is fair to consider that some of these costs would be considered "non-incremental" costs since these are systems that have been or may be developed prior to the proposed legislation taking effect and that would have been paid for their RECs at or below the current ACP levels. That said, the proposed legislation ensures these projects shall be paid the ACP value for their SRECs which may or may not have occurred as that is contingent upon at what price current load serving entities (utilities and suppliers) would have been willing to buy SRECs from the market.

To develop the grandfathered cost estimates three subgroups were created: (1) existing solar, (2) projected utility scale, (3) projected net energy metering (NEM)/community solar. For the existing systems it was assumed that all solar in PJM GATs which are located and registered in Maryland would sell their RECs to Maryland. For projected utility scale solar these systems were identified based on solar currently in PJM's queue and have an "in-service date before 2028." The estimated capacity was reduced using a rule of thumb project

[1] https://cleanenergy.nj.gov/programs/solar/administratively-determined-incentive-adi-program?section=incentive-values
[2] https://srecdelaware.com/procurements/2024-procurement/
[3] https://srecdelaware.com/procurements/2025-procurement/

success rate multiplier based on discussions with colleagues at PJM regarding observations of project queue success rate. For this analysis the older program success rates were used, though under the new process going forward there could be improvements. For projected NEM/community solar it was assumed the remainder of the 3000 MW cap on NEM and community solar projects would be fulfilled by 2028 as conservative cost estimates.[4] Both the existing solar analysis and the projected NEM/community solar analysis account for projects to receive bonus RECs under the Brighter Tomorrow Act.

Universal Assumptions:

(1) Capacity Factors
   a. Utility Scale – Grandfathered - Projected and Utility Sale Program: 25% (from RWE). This also generally aligns with data found through the EIA.[5]
   b. All Others – We provide two scenarios, one at 15% and another at 20%. The capacity factor for RECs in the GATs system appears to be 13% and it is unclear why this may be. It was bumped up to 15% for purposes of estimates. Lazard's Levelized Cost of Solar Report contains a range of capacity factors for community and C&I solar which range from 15 – 20%.[6]

(2) There was no attempt to adjust costs for inflation. This would increase costs in later years.

(3) For the ADI and utility scale programs, it was assumed 250 MW of solar was developed per year to 2035 (2000 MW per the program over eight years). The analysis assumes payments begin at 100% in the year for which the projects were procured. This is an aggressive assumption as it is our understanding in the legislation that procurement for 2028 programs would not begin until late 2027. Also, it is not clear even if the procurements were completed in 2027 that the procured capacity would be available at the start of the next year.

[4] The projected amount of community solar capacity plus existing NEM and Community Solar facilities exceeds the State cap of 3000 MW. 2025 Net Metering Report, Maryland Public Service Commission, Nov. 2025, p. 2. https://www.psc.state.md.us/wp-content/uploads/2025-Net-Metering-Report-4.pdf. The PSC makes no finding if the Cap will be reached prior to 2028, this estimate was made to be conservative.
[5] Table 4.08.B. Capacity Factors for Utility Scale Generators Primarily Using Non-Fossil Fuels. Photovoltaics' had a capacity factor of 25.6% (2014) – 23.2% (2024). Solar Thermal had capacity factors ranging from 18.3% (2014) – 25.0% (2024). https://www.eia.gov/electricity/annual/html/epa_04_08_b.html
[6] Lazard Levelized Cost of Energy, Jun. 2025, P. 34, https://www.lazard.com/media/5tlbhyla/lazards-lcoeplus-june-2025-_vf.pdf

(4) The analysis provides a degradation factor of 0% of solar output to be conservative. There appears to be some research from the National Laboratory of the Rockies which indicates panels lose less than 1% output per year.[7] Any addition of degradation to this analysis would reduce the estimated costs.

[7] https://www.nrel.gov/pv/lifetime
News article: https://pv-magazine-usa.com/2025/08/04/how-long-do-residential-solar-panels-last-3/

New Procurement Programs (Incremental Cost)

This section presents estimated costs and gross bill impacts (no adjustment for potentially retained ACP revenues) for the two new solar procurement programs which are incremental cost above current policy based on the assumptions discussed previously.

Estimated Cost of New Procurement Programs (15% Capacity Factor For NEM/Commuinty Solar)

	Total Cost of New Procurements		ADI		Utility Scale	
	DE - Cost, RWE - Lower Estimate	NJ - Cost, RWE - Higher Estimate	DE - Cost	NJ - Cost	RWE - Lower Estimate	RWE - Higher Estimate
2028	$ 22,055,386	$ 56,068,661	$ 12,190,700	$ 36,135,000	$ 9,864,686	$ 19,933,661
2029	$ 44,110,773	$ 112,137,323	$ 24,381,400	$ 72,270,000	$ 19,729,373	$ 39,867,323
2030	$ 66,166,159	$ 168,205,984	$ 36,572,100	$ 108,405,000	$ 29,594,059	$ 59,800,984
2031	$ 88,221,545	$ 224,274,645	$ 48,762,800	$ 144,540,000	$ 39,458,745	$ 79,734,645
2032	$ 110,276,931	$ 280,343,306	$ 60,953,500	$ 180,675,000	$ 49,323,431	$ 99,668,306
2033	$ 132,332,318	$ 336,411,968	$ 73,144,200	$ 216,810,000	$ 59,188,118	$ 119,601,968
2034	$ 154,387,704	$ 392,480,629	$ 85,334,900	$ 252,945,000	$ 69,052,804	$ 139,535,629
2035	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2036	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2037	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2038	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2039	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2040	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2041	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2042	$ 176,443,090	$ 448,549,290	$ 97,525,600	$ 289,080,000	$ 78,917,490	$ 159,469,290
2043	$ 154,387,704	$ 392,480,629	$ 85,334,900	$ 252,945,000	$ 69,052,804	$ 139,535,629
2044	$ 132,332,318	$ 336,411,968	$ 73,144,200	$ 216,810,000	$ 59,188,118	$ 119,601,968
2045	$ 110,276,931	$ 280,343,306	$ 60,953,500	$ 180,675,000	$ 49,323,431	$ 99,668,306
2046	$ 88,221,545	$ 224,274,645	$ 48,762,800	$ 144,540,000	$ 39,458,745	$ 79,734,645
2047	$ 66,166,159	$ 168,205,984	$ 36,572,100	$ 108,405,000	$ 29,594,059	$ 59,800,984
2048	$ 44,110,773	$ 112,137,323	$ 24,381,400	$ 72,270,000	$ 19,729,373	$ 39,867,323
2049	$ 22,055,386	$ 56,068,661	$ 12,190,700	$ 36,135,000	$ 9,864,686	$ 19,933,661

Estimated Cost of New Procurement Programs (20% Capacity Factor For NEM/Commuinty Solar)

	Total Cost of New Procurements		ADI		Utility Scale	
	DE - Cost, RWE - Lower Estimate	NJ - Cost, RWE - Higher Estimate	DE - Cost	NJ - Cost	RWE - Lower Estimate	RWE - Higher Estimate
2028	$ 26,118,953	$ 68,113,661	$ 16,254,267	$ 48,180,000	$ 9,864,686	$ 19,933,661
2029	$ 52,237,906	$ 136,227,323	$ 32,508,533	$ 96,360,000	$ 19,729,373	$ 39,867,323
2030	$ 78,356,859	$ 204,340,984	$ 48,762,800	$ 144,540,000	$ 29,594,059	$ 59,800,984
2031	$ 104,475,812	$ 272,454,645	$ 65,017,067	$ 192,720,000	$ 39,458,745	$ 79,734,645
2032	$ 130,594,765	$ 340,568,306	$ 81,271,333	$ 240,900,000	$ 49,323,431	$ 99,668,306
2033	$ 156,713,718	$ 408,681,968	$ 97,525,600	$ 289,080,000	$ 59,188,118	$ 119,601,968
2034	$ 182,832,671	$ 476,795,629	$ 113,779,867	$ 337,260,000	$ 69,052,804	$ 139,535,629
2035	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2036	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2037	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2038	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2039	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2040	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2041	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2042	$ 208,951,624	$ 544,909,290	$ 130,034,133	$ 385,440,000	$ 78,917,490	$ 159,469,290
2043	$ 182,832,671	$ 476,795,629	$ 113,779,867	$ 337,260,000	$ 69,052,804	$ 139,535,629
2044	$ 156,713,718	$ 408,681,968	$ 97,525,600	$ 289,080,000	$ 59,188,118	$ 119,601,968
2045	$ 130,594,765	$ 340,568,306	$ 81,271,333	$ 240,900,000	$ 49,323,431	$ 99,668,306
2046	$ 104,475,812	$ 272,454,645	$ 65,017,067	$ 192,720,000	$ 39,458,745	$ 79,734,645
2047	$ 78,356,859	$ 204,340,984	$ 48,762,800	$ 144,540,000	$ 29,594,059	$ 59,800,984
2048	$ 52,237,906	$ 136,227,323	$ 32,508,533	$ 96,360,000	$ 19,729,373	$ 39,867,323
2049	$ 26,118,953	$ 68,113,661	$ 16,254,267	$ 48,180,000	$ 9,864,686	$ 19,933,661

Estimated Gross Bill Impact ($/Month) – New Programs (Residential) (Based on Average Customer usage of 880 kWh)[8]

	Gross Bill Impacts - Does not account for ACP Offsets (Assumes 15% Capacity Factor for ADI)					
	Gross Bill Impact - (New Programs)		ADI		Utility Scale	
			Low	High	Low	High
	DE - Cost, RWE - Lower Estimate	NJ - Cost, RWE - Higher Estimate	DE - Cost	NJ - Cost	RWE - Lower Estimate	RWE - Higher Estimate
2028	$ 0.29	$ 0.75	$ 0.16	$ 0.48	$ 0.13	$ 0.27
2029	$ 0.58	$ 1.48	$ 0.32	$ 0.95	$ 0.26	$ 0.53
2030	$ 0.86	$ 2.19	$ 0.48	$ 1.41	$ 0.39	$ 0.78
2031	$ 1.13	$ 2.88	$ 0.63	$ 1.86	$ 0.51	$ 1.02
2032	$ 1.40	$ 3.55	$ 0.77	$ 2.29	$ 0.62	$ 1.26
2033	$ 1.66	$ 4.21	$ 0.92	$ 2.71	$ 0.74	$ 1.50
2034	$ 1.91	$ 4.85	$ 1.05	$ 3.13	$ 0.85	$ 1.72

	Gross Bill Impacts - Does not account for ACP Offsets (Assumes 20% Capacity Factor for ADI)					
	Gross Bill Impact - (New Programs)		ADI		Utility Scale	
			Low	High	Low	High
	DE - Cost, RWE - Lower Estimate	NJ - Cost, RWE - Higher Estimate	DE - Cost	NJ - Cost	RWE - Lower Estimate	RWE - Higher Estimate
2028	$ 0.35	$ 0.91	$ 0.22	$ 0.64	$ 0.13	$ 0.27
2029	$ 0.69	$ 1.80	$ 0.43	$ 1.27	$ 0.26	$ 0.53
2030	$ 1.02	$ 2.66	$ 0.63	$ 1.88	$ 0.39	$ 0.78
2031	$ 1.34	$ 3.50	$ 0.84	$ 2.48	$ 0.51	$ 1.02
2032	$ 1.65	$ 4.31	$ 1.03	$ 3.05	$ 0.62	$ 1.26
2033	$ 1.96	$ 5.11	$ 1.22	$ 3.62	$ 0.74	$ 1.50
2034	$ 2.26	$ 5.89	$ 1.41	$ 4.17	$ 0.85	$ 1.72

[8] Based on 2025 Ten-Year Plan report projected usage and the bill impacts assume all customers pay the same amount on a per kWh basis for the program. Please note that this includes some projected data center usage. If the load forecast is not realized, then bill impacts increase vs if the load forecast increases, then avoided cost increases and bill impacts decrease all else being equal.

Grandfather Program

This section shows costs associated with solar grandfathered which will receive payment at the historic ACP curve level. As previously mentioned, it is fair to assume that some costs associated with this section are likely "non-incremental" since customers would likely have paid for these projects SRECs or the associated ACPs under the old model. Please note that the cost estimates for the PJM Que Solar and NEM/Community Solar are very speculative as these projects have not been developed. If less projects than estimated are built, then grandfathered costs decrease while if more projects are built then project costs could increase.

Estimated Total of Grandfathered Programs (non-incremental to partially incremental costs)

	Grandfathered (15% Capacity Factor For NEW/Community Solar)			
	Total	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity
2028	$ 236,707,398	$ 122,440,146	$ 43,339,137	$ 70,928,115
2029	$ 182,082,614	$ 94,184,728	$ 33,337,798	$ 54,560,089
2030	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2031	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2032	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2033	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2034	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2035	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2036	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2037	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2038	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2039	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2040	$ 163,874,353	$ 84,766,255	$ 30,004,018	$ 49,104,080
2041	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2042	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2043	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2044	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2045	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2046	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2047	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2048	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080
2049	$ 161,304,725	$ 82,196,627	$ 30,004,018	$ 49,104,080

	Grandfathered (20% Capacity Factor For NEW/Community Solar)			
	Total	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity
2028	$ 236,707,398	$ 163,253,528	$ 43,339,137	$ 94,570,820
2029	$ 182,082,614	$ 125,579,637	$ 33,337,798	$ 72,746,785
2030	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2031	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2032	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2033	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2034	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2035	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2036	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2037	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2038	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2039	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2040	$ 163,874,353	$ 113,021,673	$ 30,004,018	$ 65,472,106
2041	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2042	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2043	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2044	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2045	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2046	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2047	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2048	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106
2049	$ 161,304,725	$ 109,595,503	$ 30,004,018	$ 65,472,106

Estimated Gross Bill Impact ($/Month) – Grandfathered Program (Residential)(Based on Average Customer usage of 880 kWh)[9]

	Gross Bill Impact of Grandfathered Assumes 15% Capacity Factor for NEM/Community Solar			
	Total	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity
2028	$ 3.15	$ 1.63	$ 0.58	$ 0.95
2029	$ 2.41	$ 1.24	$ 0.44	$ 0.72
2030	$ 2.13	$ 1.10	$ 0.39	$ 0.64
2031	$ 2.10	$ 1.09	$ 0.39	$ 0.63
2032	$ 2.07	$ 1.07	$ 0.38	$ 0.62
2033	$ 2.05	$ 1.06	$ 0.38	$ 0.61
2034	$ 2.03	$ 1.05	$ 0.37	$ 0.61

	Gross Bill Impact of Grandfathered Assumes 20% Capacity Factor for ADI			
	Total	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity
2028	$ 4.01	$ 2.18	$ 0.58	$ 1.26
2029	$ 3.06	$ 1.66	$ 0.44	$ 0.96
2030	$ 2.71	$ 1.47	$ 0.39	$ 0.85
2031	$ 2.68	$ 1.45	$ 0.39	$ 0.84
2032	$ 2.64	$ 1.43	$ 0.38	$ 0.83
2033	$ 2.61	$ 1.41	$ 0.38	$ 0.82
2034	$ 2.58	$ 1.40	$ 0.37	$ 0.81

[9] Based on 2025 Ten-Year Plan report projected usage and the bill impacts assume all customers pay the same amount on a per kWh basis for the program. Please note that this includes some projected data center usage. If the load forecast is not realized, then bill impacts increase vs if the load forecast increases, then avoided cost increases and bill impacts decrease all else being equal. Also note that some of the grandfathered costs would be paid by customers regardless of the proposed legislation being implemented.

Additional Impacts to Grandfathered Program

As noted, if there are no changes to the current SREC procurement structure then customers would pay for some or all the grandfathered SRECs. The previous gross bill impact for grandfathered programs does not account for the interplay between grandfathered SREC payments and the fact customers would have (1) potentially paid these in their current supply rates if no legislative change occurs, and (2) there is potentially avoided cost of not making future SREC payments above current levels under the old method. The following table captures what could potentially be a "net/anticipated" bill impact for the grandfathered SREC program. This assumes that customers for grandfathered SREC systems today and going forward pay the ACP for solar in rates (e.g. if there is a solar REC deficiency then utilities/suppliers pay the market ACP values for their RECs).

Please note that the following is very dependent upon the load forecasts used to estimate the SREC need in the future. If the load forecast is not realized, then bill impacts increase vs if the load forecast increases then avoided cost increases and bill impacts decrease. The load forecast is based on the 2025 Ten-Year Plan. The forecast is also very dependent upon as to how much of the projected solar in PJM's queue and remaining 3000 MW NEM/Community Solar cap is reached prior to 2028, neither of which is certain.

	Estimating Net/Anticipated Impact of Grandfather SRECs Based on NEM + Community Solar with 15% Capacity Factor							
	SREC need based on 2025 10-yr plan	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity	Total Grandfathered SRECs	(Avoided) vs In Excess	Monetary Impact	Bill Impact - Avg Residential
2028	6,895,133	3,653,183	1,333,512	1,922,119	6,908,815	13,682	$ 444,667	$ 0.01
2029	7,887,363	3,653,183	1,333,512	1,922,119	6,908,815	(978,548)	$ (24,463,699)	$ (0.32)
2030	9,269,997	3,653,183	1,333,512	1,922,119	6,908,815	(2,361,182)	$ (53,126,594)	$ (0.69)
2031	9,394,835	3,653,183	1,333,512	1,922,119	6,908,815	(2,486,020)	$ (55,935,449)	$ (0.72)
2032	9,535,174	3,653,183	1,333,512	1,922,119	6,908,815	(2,626,359)	$ (59,093,076)	$ (0.75)
2033	9,649,523	3,653,183	1,333,512	1,922,119	6,908,815	(2,740,708)	$ (61,665,929)	$ (0.77)
2034	10,324,145	3,653,183	1,333,512	1,922,119	6,908,815	(3,415,330)	$ (76,844,935)	$ (0.95)

	Estimating Net/Anticipated Impact of Grandfather SRECs Based on NEM + Community Solar with 20% Capacity Factor							
	SREC need based on 2025 10-yr plan	Existing Solar	Project PJM Queue Solar	Remaining NEM/CS Capacity	Total Grandfathered SRECs	(Avoided) vs In Excess	Monetary Impact	Bill Impact - Avg Residential
2028	6,895,133	4,870,911	1,333,512	2,562,826	8,767,249	1,872,116	$ 60,843,779	$ 0.81
2029	7,887,363	4,870,911	1,333,512	2,562,826	8,767,249	879,886	$ 21,997,157	$ 0.29
2030	9,269,997	4,870,911	1,333,512	2,562,826	8,767,249	(502,748)	$ (11,311,824)	$ (0.15)
2031	9,394,835	4,870,911	1,333,512	2,562,826	8,767,249	(627,586)	$ (14,120,679)	$ (0.18)
2032	9,535,174	4,870,911	1,333,512	2,562,826	8,767,249	(767,925)	$ (17,278,306)	$ (0.22)
2033	9,649,523	4,870,911	1,333,512	2,562,826	8,767,249	(882,274)	$ (19,851,159)	$ (0.25)
2034	10,324,145	4,870,911	1,333,512	2,562,826	8,767,249	(1,556,896)	$ (35,030,165)	$ (0.43)

Potential Offsets

The previous bill impacts did not account for offsets from retained ACP revenues that the legislation envisions,

ACP Offsets

The legislation requires ACPs be diverted to an escrow account starting in October 2026 to be used to offset costs of the program which would not start until 2028. This means the ACP revenues would net against the cost of the program. As discussed below, it is not known if the currently high amount of ACP payments will continue (over $300 million for Tier 1 ACP was paid last year), but there is a decent likelihood of high ACP continuing into the near future. The following table provides the estimated bill reduction assuming the retention of certain amounts of ACP to help cover program expenses. These values netted against the previous bill impacts (primarily the "new programs") provide estimated net/anticipated bill impacts for the proposed legislation.

	Monthly Bill Reduction of Applying ACP to Program (Average Residential Usage of 880 kWh/month)				
Potentially Applied ACP by Year	$ 100,000,000	$ 200,000,000	$ 300,000,000	$ 400,000,000	$ 500,000,000
2028	$ (1.33)	$ (2.67)	$ (4.00)	$ (5.33)	$ (6.66)
2029	$ (1.32)	$ (2.64)	$ (3.96)	$ (5.28)	$ (6.60)
2030	$ (1.30)	$ (2.60)	$ (3.90)	$ (5.21)	$ (6.51)
2031	$ (1.28)	$ (2.57)	$ (3.85)	$ (5.14)	$ (6.42)
2032	$ (1.27)	$ (2.53)	$ (3.80)	$ (5.06)	$ (6.33)
2033	$ (1.25)	$ (2.50)	$ (3.75)	$ (5.00)	$ (6.26)
2034	$ (1.24)	$ (2.47)	$ (3.71)	$ (4.94)	$ (6.18)

Offsetting Estimated Costs of the Revised Solar Programs

The legislation revising the RPS program for solar anticipates utilizing ACPs to offset the costs outlined above. For many reasons, forecasting ACP revenue is very difficult. At this time, we do not attempt to forecast revenue amounts, however we have reason to express some confidence that Maryland will realize significant ACP revenue for the foreseeable future. This opinion is based on recent trends affecting ACPs in the state. However, there are many unknowns that could affect the supply of RECs in PJM, which means that this analysis could change quickly and meaningfully in the future.

Recent Trends for Maryland RPS Compliance

- Beginning in 2021, Solar REC retirement began to lag RPS requirements significantly, resulting in ACPs:
    - 2021: $76.9 million
    - 2022: $85.9 million
    - 2023: $55.9 million
    - 2024: $37.1 million
- Solar REC retirement is beginning to rise closer to RPS requirements, and at this time we believe Solar ACPs will continue to fall as solar installation in Maryland continues to rise closer to the RPS.
- Beginning in 2023, Tier 1 REC retirement began to lag RPS requirements significantly, resulting in ACPs:
    - 2023: $262.3 million
    - 2024: $319.3 million
- As outlined below, we believe Tier 1 REC retirement to continue to lag the RPS requirements, leading to continued significant ACP payments to Maryland. However, this analysis could change quickly and meaningfully in the future, depending on the supply of Tier 1 RECs that could become available,new load in the region, and any policy changes in states with which we compete for Tier 1 RECs.

Trends Affecting Tier 1 RPS Compliance in Maryland

- For most Tier 1 RECs, and certainly for the major types of Tier 1 RECs utilized for compliance with Maryland's RPS, we compete with several other states in the region. Our leading competitors are New Jersey, Pennsylvania, and Virginia.
- Reports of Average Costs of Tier 1 RECs for 2024:
    - Maryland: $27.09
    - New Jersey: $31.76

    - Pennsylvania: $31.01
    - Virginia: not available
- Maryland's Tier 1 RPS (without carve-outs) is set at 27.05% for 2024, with future requirements fluctuating until being set at 21.48% in 2030 and future years.
    - MD's ACP for Tier 1 compliance is $27.50 for 2024, and decreases gradually over time until being set at $22.35 for 2030 and beyond.
    - 2024 average Tier 1 REC prices are only slightly lower than MD's ACPs. Given an apparent shortfall of Tier 1 RECs available for compliance in competing PJM states, it appears to be attractive for LSEs to pay the ACP instead of retiring RECs in Maryland. This trend likely will continue, especially as MD's ACPs fall over time, while ACPs in competing states are static going forward. Furthermore, NJ's and VA's Tier 1 requirements will rise significantly in future years.
- New Jersey's Tier 1 RPS is currently set at 35%, and is scheduled to rise to 50% by 2030.
    - New Jersey's ACP for Tier 1 compliance is $50, continuing into the future.
        - Current Tier 1 REC prices fall well below NJ's ACP, making it attractive for LSEs to retire RECs instead of paying ACPs.
    - Note that in May 2025, New Jersey relaxed its Tier 1 requirement, from 38% to 35%, in order to bring down prices. A market analysis reports this action caused prices to come down by approximately 25%.
- Pennsylvania's Tier 1 RPS is 7.5% and will stay at that percentage into the future, under current law.
    - Legislation in PA to raise the Tier 1 RPS has been introduced in the last two years, but did not pass previously. Prospects for passage in the near future are unclear.
    - PA's ACP for Tier 1 compliance is $45, continuing into the future.
        - Current Tier 1 REC prices fall well below PA's ACP, making it attractive for LSEs to retire RECs instead of paying ACPs.
- Virginia's Tier 1 RPS is currently set at 17.48% in 2025, increasing to approximately 30% in 2030, and then increasing to 100% by 2050.
    - VA's ACP for in-state compliance is $75, continuing into the future
        - VA has a requirement for 75% of Tier 1 RECs to be generated in-state.
    - VA's ACP for out-of-state compliance is $45, continuing into the future
    - Current Tier 1 REC prices fall well below VA's ACPs, making it attractive for LSEs to retire RECs instead of paying ACPs.

Potential Tier 1 REC Price Drivers and Possible Effects on Maryland ACPs

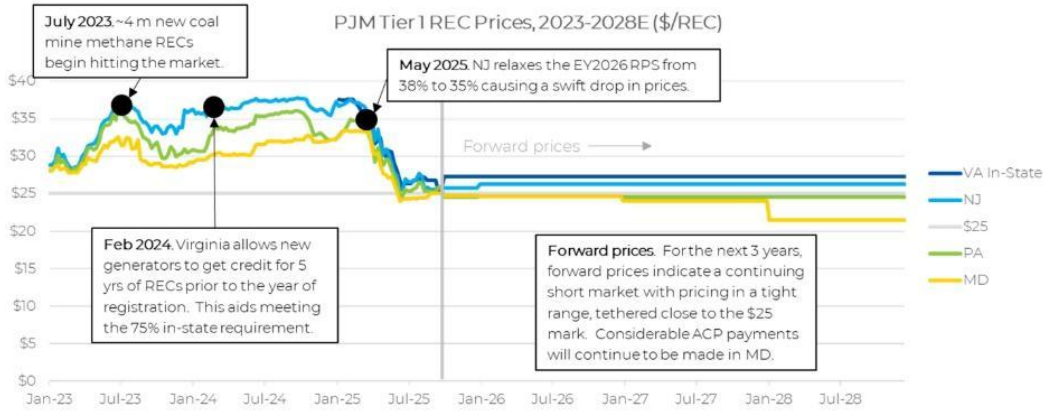
An analysis by Power Advisory offers some insights into drivers that could put upward or downward pressure on Tier 1 REC prices.

- Downward Price Driver: New Jersey RPS Change. The May 2025 action by New Jersey to freeze its RPS put downward pressure on REC prices. It is possible New Jersey could do this again, which would continue to put downward pressure on REC prices.
- Secondary Downward Price Drivers:
    - PJM's interconnection queue is improving.
    - In the last two years, 4 million new RECs derived from coal mine methane have come into the market. These RECs can only be used for compliance in Pennsylvania, but their availability puts some downward pressure on other Tier 1 RECs.
    - Facilities owned by International Paper, located in Virginia, have started to generate RECs from waste heat, which will help to meet VA's 75% in-state Tier 1 requirement.
- Longer-term Potential Price Driver: Offshore Wind. Excess RECs could be sold for compliance in PA and VA, putting downward pressure on Tier 1 prices.

Power Advisory's analysis forecasts:

Pricing

Over the past 3 years, PJM Tier 1 REC prices have been in the high $20s to high $30s. NJ and VA prices have been higher than PA which have been higher than MD, due to ACP and supply/demand dynamics. Prices have recently declined to the $25 mark following the NJ decision, and very much reaggregated in a tight range. Forward prices indicated that pricing will continue in this range for the foreseeable future. That's because there will still be an undersupply condition, and a considerable amount of MD ACPs will be paid.



Aside from Power Advisory's analysis and forecast, a major future driver of REC prices will be load growth in Maryland compared to competing states. Currently, Tier 1 requirements are based on a percentage of sales. One particular unknown is the growth of large-load customers like data centers, where they likely will be located, and whether their contributions to increased electricity sales will increase the number of Tier 1 RECs required for compliance. Another unknown is the extent to which new renewable energy RECs will be used for voluntary purchases versus RPS compliance (currently, approximately 40% of RECs are purchased nationwide for voluntary purposes.) We note a clear future data point, which is Maryland's Tier 1 ACP falling, while competing states' ACPs remain

steady. Finally, a significant unknown is what, if any, policy changes our competing states may make to their RPS requirements in the near future and what impact that could have on Tier 1 prices.

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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HB 345 - PUBLIC UTILITIES - SOLAR ENERGY GENERATING SYSTEMS AND SOLAR RENEWABLE ENERGY CREDITS (AFFORDABLE SOLAR ACT)

TESTIMONY OF DELEGATE LORIG CHARKOUDIAN
FEBRUARY 10, 2026

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

The federal administration launched an assault on ratepayers across the nation by increasing taxes on clean energy projects and throwing up additional roadblocks to getting them built. Trump is doing everything possible to raise utility bills and line the pockets of his billionaire fossil fuel buddies. We are fighting back. Maryland needs to stand up to Trump and prove that we are committed to lowering utility bills and advancing clean energy.

Solar energy is the fastest and most cost effective way to build new electricity generation. Solar energy has the ability to lower utility bills, stabilize costs, and provide clean energy for a decarbonized future.

In 2023, Maryland passed the Brighter Tomorrow Act, a short term bridge to ensure rooftop and community solar continued to get built, with a commitment to legislate a long term structural fix within a few years.. The time is now to ensure long term stability for ongoing solar deployment in Maryland to meet our growing energy needs and our clean energy goals.

This bill codifies solar energy solutions:

✔ Reforms the current incentive program (Solar Renewable Energy Credit Program) to protect ratepayers and ensure solar incentives are tailored to the industry market segment.

- The bill phases out the current solar subsidy program and replaces it with a program called “SREC 2”. The program is designed similar to the process used in New Jersey since 2020, and is expected to lead to the development of 4,000 MW of new solar by 2035.

- The new model is different from our current SREC program in two ways. First, the PSC will conduct competitive procurements for utility scale solar, ensuring that these systems are built with the best value for rate-payers. Second, the PSC will establish incentive prices for rooftop and community solar and recalculate these on a regular basis, based on

changes in the market and federal policy. This will also ensure that each type of solar will receive enough to be built and no industry sector will receive more in incentives than necessary.

✔ No Rate-payer Impact

- This legislation shifts funds already being paid by rate-payers through Alternative Compliance Payments into an escrow account which will be used to implement the new solar procurement model. An analysis conducted by the Maryland Public Service Commissions suggests this bill can be implemented with no change in rate-payer contributions to the RPS for at least the next several years.

✔ Enables portable solar, also known as balcony solar

- Portable solar offers a scalable, safe, and affordable solution to build more solar. Compact portable systems plug directly into a standard outlet and require no rooftop installation. These projects have already been authorized by law in Utah and, in fact, are sold at IKEA because they are so popular and easy to put together.

- Portable solar systems feed power into the home to offset consumption, reducing household electricity bills, mitigating climate warming emissions, and, when paired with a battery, offering energy resilience to households. Traditional rooftop solar is unavailable to many Marylanders, particularly renters, lower-income households, and homeowners with shaded or otherwise unsuitable roofs. Balcony/portable solar projects makes solar more widely available to low income Marylanders and renters.

I respectfully request a favorable report on HB 345.

HB0345 Solar.pdf
Uploaded by: Marlene Durholz
Position: FAV

Marlene Durholz
Hanover, MD 21076
February 6, 2026

RE: Favorable position on HB0345 Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Dear Environment and Transportation Committee Members:

Thank you for your service and work reviewing the HB 345, Solar Energy Generating Systems and Solar Renewable Energy Credits. I am writing to ask that the committee provide a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act).

HB0345 would allow households unable to install larger solar systems to install portable solar energy generating systems as an alternative. The solar industry has evolved and this bill allows “balcony solar” which is currently not available to Maryland households. I believe it is best to update Maryland laws to keep up with current opportunities.

HB0345 will update the Renewable Energy Portfolio Standard (RPS) reflecting the changes needed for the maturing solar industry.

I urge a Favorable HB0345 committee report and House of Delegates floor vote.

Thank you for the opportunity to testify on this legislation.

Marlene Durholz
Hanover, MD

affordable solar act hr 0345.pdf
Uploaded by: Michael Wilcove
Position: FAV

Citizens' Climate Lobby
Maryland

February 6, 2026	**HEARING DATE: February 10, 2026**
BILL:	**HB0345 (Companion bill: SB0341)**
TITLE:	**Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)**
POSITION:	**Favorable**
COMMITTEE:	**Environment and Transportation**
SPONSORS:	**Delegates Charkoudian, Taveras, Acevero, Allen, Amprey, Behler, Boafo, Ebersole, Embry, Foley, Guyton, Ivey, A. Johnson, Kaufman, J. Long, Martinez, McCaskill, Rogers, Ruth, Stewart, Turner, and Vogel**

Hello Chairman Korman, Vice Chairwoman Guyton, and Members of the Committee,

My name is Michael N. Wilcove. I live in District 16 in Rockville Maryland, and I am honored to be representing the Maryland Chapters of Citizens' Climate Lobby. Citizens' Climate Lobby is a national, nonpartisan, volunteer driven climate advocacy organization. In Maryland, our Chapters consist of over 3000 residents from across the State.

Our Maryland Chapters support HB0345, the Affordable Solar Act.

Our volunteers advocate for solutions to the climate challenges we currently face. Our global dependency on burning fossil fuels is harming not only the climate, but our health, economy, and security.

Enhancing solar energy is crucial to reducing greenhouse gas emissions from burning fossil fuel. Maryland has fallen short of its goals in solar deployment. With vital Inflation Reduction Act tax credits being taken away, increasing solar power will be even more daunting. The Affordable Solar Act will be a big step in shifting from fossil fuels and towards solar energy, setting up a target to connect 4,000 MW of solar capacity to the Maryland grid by 2035.

The Act modernizes the Solar Renewable Energy Credit (SREC) program by phasing out the current system and replacing it with SREC-II, modeled after New Jersey's competitive procurement framework. It introduces new programs for both smaller and larger solar projects to generate "Solar Renewable Energy Credits II" (SREC-IIs). Importantly, it redirects certain alternative compliance fees, which are penalties paid by electricity suppliers who do not meet renewable energy requirements, from the Maryland Strategic Energy Investment Fund into a new escrow account that will ensure these funds are used for future solar energy procurement. Additionally, the bill mandates that electric companies procure a specific number of SRECs and SREC-IIs through solicitations managed by the Public Service Commission, aiming to significantly increase solar energy generation capacity in the state. The bill also allocates 75% of public service company franchise tax revenues from large electricity users to this new escrow account, further supporting solar energy initiatives. In addition, it modifies the States's Renewable Energy Portfolio Standard (RPS) by increasing the required percentage of renewable energy, particularly from solar sources.

We especially want to emphasize our support for the part of the bill that allows the purchase and use of "portable solar energy generating system[s]," which are movable solar devices that plug into a standard electrical outlet, supply up to 1,200 watts of power, and require no rooftop installation. This change would help make solar energy accessible and affordable to Maryland renters and condo-owners, those with unsuitable roofs, and help those with low incomes to lower their electricity bills. When paired with a battery, these portable solar systems would also increase the resilience of all of these households during grid power outages.

Finally, the Act mandates that its implementation does not raise utility bills for residents.

Maryland residents want effective and fair climate policies. The policies put forth by the Affordable Solar Act help ensure it. The Maryland Chapters of Citizens Climate Lobby urge a FAVORABLE REPORT on HB0345.

Respectfully submitted,

Michael N. Wilcove
Coordinator, Citizens' Climate Lobby Maryland State Action Team
301-785-5793
mnwilcove@gmail.com
cc: Members of the Environment and Transportation Committee

HB 345 Solar Energy Generating Systems and Solar R

Uploaded by: Michelle Dietz

Position: FAV

The Nature Conservancy
Maryland/DC

Tuesday, February 10, 2026

TO: Delegate Marc Korman, Chair of the House Environment and Transportation Committee, and Committee Members
FROM: Michelle Dietz, Director of Government Relations, The Nature Conservancy; Cait Kerr, State Policy Manager, The Nature Conservancy,
POSITION: Support HB345 Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

The Nature Conservancy (TNC) supports HB 345 offered by Delegates Charkoudian and Taveras. HB345 builds on existing legislation to ensure long-term stability for solar deployment in Maryland to meet our state's growing energy needs and help meet our clean energy goals. Through reforming current incentive programs, like the Solar Renewable Energy Credit Program, while ensuring ratepayers aren't impacted by new solar procurement, the Affordable Solar Act codifies solar energy solutions while reducing impacts to ratepayers.

HB345 seeks to reform the current Solar Renewable Energy Credit Program (SREC) to expand clean energy deployment while maintaining access and affordability for households. Under the Affordable Solar Act, the current SREC program would be replaced with "SREC 2." This new program allows the Public Service Commission to conduct competitive procurements for utility-scale solar development, which will provide the best value for ratepayers. SREC 2 also establishes incentives for community solar and rooftop solar, with the flexibility for prices to be recalculated based on market changes and federal policy. These two features will incentivize solar development across various market segments, while also ensuring industry doesn't receive unfair incentives, prioritizing Marylanders first.

In addition to encouraging solar development expansion, the Affordable Solar Act also seeks to ensure ratepayers will not be unduly impacted by growing solar development. Current Alternative Compliance Payments would be redirected into an escrow account to be used to implement new solar procurement. The Nature Conservancy supports an approach that considers allowing a portion of these Alternative Compliance Payments to be made available for climate-related grants and programs administered by state entities including the Maryland Energy Administration and the Maryland Clean Energy Center.

Maryland's ambitious climate emissions goals mean we need to continue to prioritize clean, renewable energy deployment. Solar energy can lower utility bills, stabilize costs and provide clean energy for Marylanders. The Nature Conservancy commends Delegates Charkoudian and Taveras on introducing HB345, which incentivizes solar energy development in our state while avoiding impacts to access and affordability. **Therefore, we urge a favorable report on HB345.**

QVM Testimony on HB0345.pdf
Uploaded by: Molly Mitchell
Position: FAV

Quaker Voice of Maryland

HB0345 - SUPPORT

Molly Mitchell
Quaker Voice of Maryland
1mollymitchell@gmail.com
410 207-1190

HB0345 - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Environment and Transportation February 10th, 2025

On behalf of Quaker Voice of Maryland, I respectfully urge a favorable report on HB0345, *Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)*.

As Friends, we are guided by a commitment to stewardship, equity, and care for our communities and our planet. HB0345 reflects these values by both ensuring that the transition to clean energy is fair and transparent and by expanding access to clean, affordable energy to all.

Families across the state are feeling the strain of rising electricity costs, often without knowing how those costs are determined. HB0345's escrow system would make this process transparent and provide Marylanders with confidence that the transition to clean energy is responsible and fair. It would protect ratepayers while helping us build the clean energy system we need to slow climate change.

We are especially encouraged by the bill's expansion of access to solar energy. Renters and others without rooftop options have long been excluded from access to clean, affordable energy, and the portable solar provisions in HB0345 change that. They allow more people to lower their energy bills and contribute to a cleaner, more sustainable grid, reflecting the Quaker values of equity and environmental stewardship.

HB0345 will help us achieve our renewable electricity goals, increase transparency in the rate-making process, and make cheap clean solar power more accessible to all.

For these reasons, and with optimism about the clean, equitable future we can build together, we respectfully urge a favorable report on HB0345.

Affordable Solar Act.pdf
Uploaded by: nanci Wilkinson
Position: FAV

Bill: Solar Energy Generating Systems and Solar Renewable Energy Credit (HB345)

House Committee: Environment and Transportation

Date of Testimony: February 10th, 2025

Organization: The Climate Mobilization, Montgomery County

Position: Favorable

Dear Chair Del Korman and Vice Chair Del Guyton,

The Climate Mobilization, Montgomery County (TCM) urges a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). HB 345 and Senate Bill 341 establish the foundation Marylanders need to join the clean, affordable, and urgent energy transition our times demand.

Maryland is ready to lead on clean energy, and Marylanders are ready for change. Right now, Maryland families face some of the highest electricity costs in the nation and those costs keep rising. Electricity capacity auctions have cleared at record-high prices for the second year in a row.

Maryland families deserve real solutions that give us control over our energy future, not just more expensive bills.

We are ready to build a system that protects ratepayers while moving forward with clean energy.

HB0345 creates an escrow account system that ensures transparency and prevents utilities from passing excessive costs to customers. This approach balances our urgent need for clean energy with strong protections for our families and businesses.

In addition, HB0345 makes solar energy accessible to everyone independently of owning a house or not. The portable solar provisions open the door for renters to finally participate in the clean energy economy. A typical balcony system can reduce apartment electricity bills by 10-30%.2 We believe energy independence should be available to all Marylanders, not just those who own homes, and this bill breaks down such barriers that have kept solar access out of reach.

Finally, we are ready to meet the climate crisis with real action. We need bold steps to increase our current 7% electricity from renewable sources 3% to meet our goal of 50% renewable energy by 2030. HB0345 moves us towards that goal.

For these reasons, TCM urge a favorable report on HB0345. Thank you for your consideration.

Nanci Wilkinson and Karl Hekd

The Climate Mobilization Montgomery County (TCM)

HB0345_Winston Testimony_FAV.pdf
Uploaded by: Pamela Winston
Position: FAV

February 6, 2026

I am a 25-year resident of Montgomery County. I am writing to express my strong support (favorable) for HB0345, “Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits.” The legislation should be invaluable for making solar energy more accessible and affordable throughout the state, helping to bring down our greenhouse gas emissions. Please, please take this critical step forward—it will be good for all Marylanders.

Thank you,

Pamela Winston

8005 Glenside Drive

Takoma Park, MD 20912

Hearing before the House Environment and Transport

Uploaded by: Patricia Bodine

Position: FAV

Hearing before the House Environment and Transportation Committee
Maryland General Assembly
February 10, 2026

Statement of Support (FAVORABLE)
of Maryland Catholics for Our Common Home on
HB 345, Affordable Solar Act

Dear Sirs,

I am writing in favor of HB 345, Affordable Solar Act. I am in favor of this for the following reasons:

- Concern about Earth's environment
- Concern for the economic burdens experienced by the poor
- Protection for the workers whose labor is essential to building our energy future

Our state is moving too slowly on protecting the atmosphere from collecting more carbon dioxide. Solar technology is a solution many of us embrace. This bill provides a pathway for people from all economic levels to benefit financially and protect the environment by using portable solar panels. These feed electricity into our burdened electrical utility instead of drawing from it and at the same time save the owner on their electric bill. The bill will enable new energy solutions at both distributed scale (e.g., rooftop solar) and utility scale that will serve Maryland's electricity demands economically. The Affordable Solar Act will also provide important protection for labor to ensure that Maryland's workers on utility-scale solar projects receive fair wages and benefits for their work in building a sound energy future.

For these reasons I strongly urge your support for this bill. Thank you for your consideration of my views and my respectful request for a **favorable** report on House Bill 345, the Affordable Solar Act.

2026 - HB0345 - Affordable Solar Act.pdf
Uploaded by: Patrick Crump
Position: FAV

MEPPN
Maryland Episcopal Public Policy Network

TESTIMONY FOR HB 0345

Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Environment and Transportation Committee

FAVORABLE

TO: Delegate Marc Korman, Chair; Delegate Michele Guyton, Vice-Chair; and the Members of the House Environment and Transportation Committee; and

FROM: Patrick Crump, member of the Maryland Episcopal Public Policy Network

DATE: February 10, 2026

The Episcopal Church believes that global climate change is not only a scientific concern or environmental issue, but what the United Nations calls "the defining issue of our time... at a defining moment" (UN Secretary General, September 10, 2018). We believe that clean, safe, and renewable energy is essential to preserve God's creation, and our Church has passed numerous resolutions in support of this, such as on fossil fuel non-proliferation and supporting a clean energy future. And the Church is committed to environmental justice, with a specific concern for reducing economic impacts on lower-income communities.

We support the Affordable Solar Act for the following reasons:

- The legislation establishes a target to connect 4,000 MW of solar capacity to the Maryland grid by 2035, facilitated by a procurement process for utility-scale projects using funds already collected through the renewable energy portfolio standard;
- Protects funding for renewable energy from being diverted to offset Maryland's budget deficit; and
- Extends access to incentives for affordable renewable energy to renters, by adding SREC credits for portable solar energy generating systems, often referred to as "plug-in" or "balcony" solar.

The Episcopal Diocese of Maryland urges the Environment and Transportation Committee to support the Affordable Solar Act, to strengthen Maryland's solar renewable energy credit program in a way that lowers energy costs and accelerates the state's transition to clean energy sources.

The Maryland Episcopal Public Policy Network requests a FAVORABLE report.

HB345 Affordable Solar Act_Alexander_FAV.pdf
Uploaded by: Peter Alexander
Position: FAV

HB0345– Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Testimony before House Environment & Transportation Committee
February 10, 2026

Position: Favorable

Chair Korman, Vice Chair Guyton, and members of the committee, my name is Peter Alexander, and I represent the 1700+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are providing written testimony today in ***support of HB0345***, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). We also want to thank Delegate Charkoudian and her many co-sponsors for submitting this important legislation.

Maryland is ready to lead on clean energy, and Marylanders are ready for change. Right now, Maryland families face some of the highest electricity costs in the nation and those costs keep rising. Electricity capacity auctions have cleared at record-high prices for the second year in a row. We believe that Maryland families deserve real solutions that give us control over our energy future, not just more expensive bills.

We are ready to build a system that protects ratepayers while moving forward with clean energy. HB0345 creates an escrow account system that ensures transparency and prevents utilities from passing excessive costs to customers. This approach balances our urgent need for clean energy with strong protections for our families and businesses.

In addition, HB0345 makes solar energy accessible to everyone independently of owning a house or not. The portable solar provisions open the door for renters to finally participate in the clean energy economy. A typical balcony system can reduce apartment electricity bills by 10-30%. We believe energy independence should be available to all Marylanders, not just those who own homes, and this bill breaks down such barriers that have kept solar access out of reach.

Finally, we are ready to meet the climate crisis with real action. We need bold steps to increase our current 7% electricity from renewable sources to meet our goal of 50% renewable energy by 2030. HB0345 moves us towards that goal.

For all of these reasons, we urge you to pass the Maryland Beverage Container Recycling Refund and Litter Reduction Program. Let's make Maryland a environmental leader. Thank you for your consideration of this important legislation.

We respectfully urge a favorable committee report.

Peter Alexander, PhD
Indivisible HoCoMD
Woodbine, MD 21797

Testimony- SB 432 Climate Crimes - Support-Phil We
Uploaded by: Phil Webster
Position: FAV

Unitarian Universalist Legislative Ministry of Maryland

Testimony in Support of SB 432 -
Attorney General Actions and Climate Crimes Accountability Fund
(Climate Crimes Accountability Act)

TO: Chair Smith and Members of the Judicial Proceedings Committee
FROM: Phil Webster, PhD, Lead Advocate for the Climate
Unitarian Universalist Legislative Ministry of Maryland.
DATE: February 10, 2026

The Unitarian Universalist Legislative Ministry of Maryland (UULM-MD) strongly supports **SB 432 - Attorney General Actions and Climate Crimes Accountability Fund - (Climate Crimes Accountability Act).** We are a faith-based advocacy organization based on Unitarian Universalist (UU) Values, including Interdependence (honoring the interdependent web of all existence) and Justice (where all feel welcome and can thrive). Working to mitigate, adapt to, and build resilience for climate change is central to our beliefs. The **Climate Crimes Accountability Act** aligns with both of the values by assigning responsibility for climate change and its expensive cost and impacts to the lives of all Marylanders, especially those who are forced to live in overburdened and underserved communities.

“Exxon Lied” is a familiar refrain when discussing climate change and its impacts on the lives of billions of people around the world. And it is not just Exxon but literally dozens of national and international Corporations. Research indicates Exxon knew about the risks of climate change as early as the 1970s, with their own scientists accurately predicting global warming trends. Despite this, reports show the company publicly cast doubt on climate science for decades to protect its business interests, funding climate deniers and engaging in disinformation.

And now, the impacts are becoming obvious. Today across our state, heavier rains, higher tides, and record heat are damaging our lives and infrastructure. Last year, Governor Moore stated that Maryland needs $1B per year for mitigation, resilience, and adaptation. The **Climate Crimes Accountability Act** can provide these necessary funds without making Marylanders bear the financial burden. Failure to adopt the **Climate Crimes Accountability Act** is effectively a steadily increasing tax on Marylanders to pay for the impacts of Climate Change.

Maryland needs to hold those responsible for climate change to account! We urge a FAVORABLE report on **SB 432**.

Phil Webster, PhD
Lead Advocate for the Climate, UULM-MD

HB 345 Maryland LCV FAV Affordable Solar Act.pdf
Uploaded by: Rebecca Rehr
Position: FAV

MARYLAND LEAGUE OF CONSERVATION VOTERS

February 10, 2026

Support: HB 345 - Affordable Solar Act

Mr. Chair and Members of the Committee:

Maryland LCV Supports HB 345, the Affordable Solar Act, and we thank Delegate Charkoudian for her leadership on this issue.

Families and businesses across the state are facing rising electricity costs, and the state must act now to secure reliable, affordable power while protecting public health and our environment. HB 345 offers one pragmatic and equitable pathway to expand clean energy deployment, stabilize utility bills, and strengthen Maryland's economy. The bill updates Maryland's solar energy policy by allowing residents to use portable solar systems, reforming how solar energy and solar renewable energy credits count toward the state's Renewable Portfolio Standard, directing Alternative Compliance Payments (ACPs) into dedicated escrow accounts, and requiring the Public Service Commission to oversee competitive procurements of solar projects and utility credit purchases. These measures stand to considerably strengthen solar deployment and lower energy costs.

Maryland is on an energy grid operated by PJM, whose market structures and interconnection delays have slowed the development of new clean energy resources, undermined progress towards the state's climate goals, and placed upward pressure on utility bills. At the same time, Maryland's current incentive structure for clean energy is no longer functioning as intended. The Renewable Energy Credit (REC) system was designed to spur in-state development while protecting customers through ACP caps, yet utilities increasingly pay ACPs rather than contracting with new projects. As a result, ratepayer dollars are not being efficiently invested in the construction of the clean energy resources Maryland urgently needs.

HB 345 directly responds to these challenges by modernizing Maryland's solar policies to prioritize rapid in-state development while ensuring that ratepayer funds are used to build clean energy. In-state solar remains among the fastest and most cost-effective resources to deploy, and expanding Maryland-based generation is one of the most effective ways to address affordability and reliability concerns.

30 West Street, Suite C
Annapolis, MD 21401
Phone: 410-280-9855

www.mdlcv.org

The Affordable Solar Act centers ratepayer protections by ensuring the benefits of clean energy flow directly to Maryland households. By reforming how solar credits are structured and procured and redirecting ACPs to an escrow account to directly benefit ratepayers, HB 345 promotes lower bills, greater price certainty, and more effective investment of ratepayer dollars in new clean energy projects. By authorizing a PSC-led procurement process for distributed solar generation, the state will gain more control over renewable energy deployment. The bill also creates new classes of Solar Renewable Energy Credits (SREC-II) and authorizes PSC established competitive procurements for both SREC and SREC-IIs. This competitive solicitation process will allow for a better alignment with today's market conditions and Maryland's long-term policy goals, capping ratepayer exposure while driving actual project development rather than continued reliance on ACP payments. Lastly, the bill expands access to solar by authorizing residential portable systems, allowing households that are usually shut out of rooftop solar, such as renters and multifamily residents, to participate in clean energy. Because the power produced by portable solar is consumed directly in the unit and does not require traditional net metering, it can help power individual bills without associated administrative costs.

Electricity generation remains a major driver of greenhouse gas emissions, and strengthening Maryland's solar incentive framework is essential to maintaining progress toward the state's Renewable Portfolio Standard and long-term climate commitments. By accelerating in-state deployment, correcting broken market mechanisms, and centering ratepayer protections, HB 345 positions Maryland to remain a national leader in clean energy while delivering tangible benefits to families and businesses across the state.

Maryland LCV is working to Power Maryland Forward, supporting **energy affordability** through **deployment of solar and storage, defense against more fossil fuels** and **unchecked utility profits**, while **getting the most out of the electricity grid we have**. Maryland LCV urges a favorable report on HB 345 as part of this framework.

HB345_FAV_Detchon.pdf
Uploaded by: Reid Detchon
Position: FAV

HB 345 - SUPPORT

Reid Detchon
E-mail: reid.detchon@gmail.com
Mobile phone: 202-446-7589

HB 345 SUPPORT

Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

House Committee on Environment and Transportation
February 10, 2026

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

I am writing to express my strong support for H.B. 345, the Affordable Solar Act, because I want to give ordinary citizens in Maryland more tools to lower their electricity bills and more ways to access clean renewable energy for their homes.

I am a confessed energy nerd – a retired private citizen in Bethesda, a customer of Pepco, and a former official in the U.S. Department of Energy, where I served as Principal Deputy Assistant Secretary for Conservation and Renewable Energy from 1989 to 1993.

We are hearing a lot these days about energy affordability, but energy policy is a complex topic that involves many overlapping levels of government and seemingly defies easy solution. Some answers are clear, though – like giving people the right to buy off-the-shelf solar panels that they can plug right into the wall, reducing the amount of power they are buying from their utility. To gather sunlight, the panels can go on an apartment balcony or a deck or in a yard or driveway. Because they deliver such a small amount of electricity compared to the overall power system, they don't disrupt utility operations – and utilities shouldn't be able to demand paperwork or payment. The average payback time for a system purchased today is about five years.

Sound radical? All you need to know about these small-scale systems is that **libertarian Utah** was the first state to pass a law to cut out the red tape and make it easy for consumers to buy and use them. It's time for Maryland to catch up.

The Affordable Solar Act does that and more. It also aligns the state's renewable energy credit system with its original goals – to get more solar power built in Maryland. Right now, utilities that fail to keep up with the Renewable Power Standard simply pay a fee – using

ratepayer funds. These Alternative Compliance Payments are piling up in the Strategic Energy Investment Fund and are being raided for other purposes. Gov. Moore's proposed budget would siphon off $292 million to plug gaps in the general fund. Instead of an incentive to build more solar, the funds are becoming an indirect state tax increase.

With no additional cost to ratepayers, and drawing on a proven model from New Jersey, the Affordable Solar Act will use the Alternative Compliance Payments instead to incentivize construction of new solar systems amounting to **4,000 MW** by 2035 – at residential and commercial properties, as well as utility-scale and community solar systems. It's a smart way to put our money where it will do the most good in building up Maryland's solar capacity – the intent of the Renewable Power Standard in the first place.

I urge a favorable report on HB 345.

HB0345 Rick Abbruzzese MRSC FAV

Uploaded by: Rick Abbruzzese

Position: FAV

The Honorable Marc Korman
Chair, Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

RE: House Bill 345: Affordable Solar Act - FAVORABLE

Dear Chairman Korman and Members of the Committee,

The Maryland Rooftop Solar Coalition (MRSC) appreciates the opportunity to provide testimony in support of House Bill 345. MRSC is a coalition of a dozen national, regional, and local companies committed to growing Maryland's rooftop solar market. Our members are creating durable jobs and helping Marylanders reduce and manage their electricity bills with home solar and storage systems. We limit our comments to the Distributed Solar Facilities Incentive Program.

Residential solar accounts for over 1/3 of the deployed solar in our state. It is an integral part of our state's response to climate change, and particularly when paired with storage, can reduce strain on the grid from electrification. In other climate-leading states that have proper policy structures, residential rooftop solar provides a cornerstone for building their clean energy economy, steadily deploying megawatts of solar each year. As with other home improvement industries, the jobs created by rooftop solar are inherently local, stable and family-sustaining.

Although Maryland's Solar Renewable Energy Credit (SREC) market has been successful in deploying residential solar to date, the structure of this incentive program does not allow for adjustments as the market adjusts nor does it account for the inherent differences between solar market segments. Indeed, it requires a 10kW residential system to compete with a 10,000kW community solar system or a 100,000kW utility scale system. The direction taken by the Affordable Solar Act is the correct one – it differentiates the incentive structure based on the market segment – allowing the Maryland Public Utility Commission to 'right size' the incentives delivered to each solar system as well as reducing financial risk inherent in the SREC market – and therefore overall costs to ratepayers.

The Maryland Rooftop Solar Coalition urges a favorable report on HB 345.

Sincerely,

Katie Rever

Katie Rever
katie.rever@igs.com
Treasurer, MRSC

HB345 IBEW 24 Support.pdf
Uploaded by: Rico Albacarys
Position: FAV

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS - LOCAL UNION No. 24

AFFILIATED WITH:
Baltimore-D.C. Metro Building Trades Council - AFL-CIO
Baltimore Port Council
Baltimore Metro Council - AFL-CIO
Central MD Labor Council - AFL-CIO
Del-Mar-Va Labor Council - AFL-CIO
Maryland State - D.C. - AFL-CIO
National Safety Council

JONATHAN P. MCLAUGHLIN, President
CARMEN F. VOSO, Recording Secretary
JEROME T. MILLER, Financial Secretary
MICHAEL J. MCHALE, Business Manager

OFFICE:
2701 W. PATAPSCO AVENUE
SUITE 200

AFL-CI0-CLC

BALTIMORE, MARYLAND 21230

Phone: 410-247-5511
FAX· 410-536-4338

Written Testimony of
Rico Albacarys, Assistant Business Agent, IBEW LOCAL 24
Before the House Environment & Transportation Committee On
HB 345 Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Favorable

February 6, 2026

Chairman Korman, Vice Chair Guyton, and Committee Members,

My name is Rico Albacarys, and I am a member and employee of IBEW Local 24, writing in support of the Affordable Solar Act. This legislation will expand solar energy in Maryland while delivering real benefits for working families.

As Maryland's solar industry grows, so will job opportunities in the clean energy economy. Solar projects require skilled tradespeople to build, interconnect, and maintain these systems safely and reliably. When done right, this work supports family-sustaining careers, registered apprenticeship programs, and long-term job growth across the state. By tying solar expansion to responsible development practices, we can ensure that the clean energy transition creates high-quality, local jobs rather than a race to the bottom.

Investing in our local workforce is just as important as investing in clean energy generation. The Affordable Solar Act moves Maryland toward that balanced approach by promoting solar growth in a way that creates middle class jobs and protects ratepayers.

We urge the Committee to support HB 345 as a forward-looking policy that strengthens our clean energy future while expanding economic opportunity for Maryland workers. Thank you for your time and consideration.

Sincerely,

Rico Albacarys
Assistant Business Agent
IBEW Local 24

HB 345_Maryland Catholics for Our Common Home_FAV.
Uploaded by: Robert Simon
Position: FAV

Maryland Catholics for Our Common Home

Responding to the cry of the Earth and the cry of the poor.

Hearing before the House Environment and Transportation Committee
Maryland General Assembly
February 10, 2026

Statement of Support (FAVORABLE)
of Maryland Catholics for Our Common Home on
HB 345, Affordable Solar Act

Maryland Catholics for Our Common Home (MCCH) is a lay-led organization of Catholics from parishes in the three Catholic dioceses in Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington. It engages in education about, and advocacy based upon, the teachings of the Catholic Church relating to care for creation and respect for all life. MCCH is a grassroots voice for the understanding of Catholic social teaching held by a wide array of Maryland Catholics. In the 2025 Legislative Session, over 700 Maryland Catholics from 45 different Catholic parishes and religious communities across the State joined together through MCCH to support several key environmental bills under consideration by the General Assembly. MCCH is independent, though, and should be distinguished as an organization from the Maryland Catholic Conference, which represents the public policy positions of the bishops who lead these three dioceses.

Because we are attuned both to the cry of a distressed Earth and the cry of the poor who suffer first and foremost from a warming planet, **MCCH would like to express its strong support for the passage of House Bill 345, the Affordable Solar Act.**

As Catholics, we are guided by the teachings of Pope Leo XIV, Pope Francis, and their predecessors, which have given priority to (1) care for Earth's environment, (2) concern for the economic burdens experienced by the poor, and (3) protection for the workers whose labor is essential to building our energy future.

- In his 2015 encyclical, entitled *Laudato Si': On Care for Our Common Home*,[1] Pope Francis called for a comprehensive response to the threats from climate change, including especially "an urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gases can be drastically reduced (by) substituting for fossil fuels and developing sources of renewable energy." (*Laudato Si'*, no. 26)
- In his 2023 apostolic exhortation on the climate crisis, *Laudate Deum*[2]—a follow-up to *Laudato Si'*, Pope Francis sounds an even more urgent cry to do much more about reducing carbon dioxide and other greenhouse gas emissions. "I have realized that our responses have not been adequate, while the world in which we live is collapsing and may be nearing the breaking point. In addition to this possibility, it is indubitable that the impact of climate change will increasingly prejudice the lives and families of many

[1] The English text of the encyclical, to which the paragraph numbers in the parentheses refer, can be found at: https://www.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html.
[2] The English text of this apostolic exhortation, to which the paragraph numbers in the parentheses refer, can be found at: https://www.vatican.va/content/francesco/en/apost_exhortations/documents/20231004-laudate-deum.html.

persons. We will feel its effects in the areas of healthcare, sources of employment, access to resources, housing, and forced migrations." (*Laudate Deum,* no. 2)

- Pope Leo XIV has continued the emphases placed on environmental stewardship by Pope Francis, calling on us to shift "from environmental discourse to an ecological conversion that transforms both personal and communal lifestyles."[3]

We are moving too slowly in Maryland, where we have the power to make choices to support truly clean and renewable energy. Emergent technologies, such as portable solar power devices, open new possibilities for utilization of solar energy by low- and moderate-income residents of apartment complexes. Our state regulations need to be updated to allow these devices to be sold and installed in Maryland. Further, aspects of Maryland's current solar energy incentive program need to be changed, so that utility-scale solar projects are built with the best value for ratepayers, and that distributed and community solar projects receive incentive prices that enable their construction. The goal should be to have a system in which each type of solar power project receives enough of an economic incentive to be built, but that no sector receives more incentives than are necessary. This would be important as excessive utility costs disproportionately impact low- and moderate-income Marylanders. Finally, workers in Maryland who labor on projects to build and maintain our energy infrastructure deserve fair wages and benefits, in keeping with Catholic social teaching that:

> All people have the right to economic initiative, to productive work, to just wages and benefits, to decent working conditions as well as to organize and join unions or other associations.[4]

The Affordable Solar Act is responsive to all of these concerns and provides a path forward to promoting faster deployment of cost-effective solar power in Maryland. It will enable new energy solutions at both distributed scale (e.g., rooftop solar) and utility scale that will serve Maryland's electricity demands economically. The Affordable Solar Act will also provide important protection for labor to ensure that Maryland's workers on utility-scale solar projects receive fair wages and benefits for their work in building a sound energy future.

For these reasons we strongly urge your support for this bill. Thank you for your consideration of our views and our respectful request for a **favorable** report on House Bill 345, the Affordable Solar Act.

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[3] "Address of The Holy Father Leo XIV to the Participants in the 'Raising Hope' Conference on the Tenth Anniversary of the Encyclical Laudato Si'," 1 October 2025, available at https://www.vatican.va/content/leo-xiv/en/speeches/2025/october/documents/20251001-conferenza-mariapoli.html.

[4] United States Conference of Catholic Bishops, "A Catholic Framework for Economic Life" (2015), no. 5, available at https://www.usccb.org/resources/catholic-framework-economic-life-0.

HB0345 - SUPPORT.pdf
Uploaded by: Robert Wald
Position: FAV

HB0345 - SUPPORT

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HB0345 -
Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Environment and Transportation
February 10th, 2025

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

We urge a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). We believe HB0345 establishes the foundation Marylanders need to join the clean, affordable, and urgent energy transition our times demand.

We are some of the lucky ones. We have solar panels on the roof of our Silver Spring home, so we are partially shielded from skyrocketing energy bills. But many other households in Maryland are taking a big hit. They either can't afford to put solar panels on their roof, don't own their homes, or live in an apartment. They're stuck paying higher bills or forgoing heat in the winter and air conditioning in the summer, or cutting back on other essentials.

The portable solar provisions of this bill open the door to renters to participate in the clean energy economy and to meaningful, long-term savings—up to 30% on apartment utility bills.

Furthermore, Maryland needs to generate more electricity within its borders, and it needs to increase its electricity production from renewable sources to meet its goal of 50% renewable energy by 2030. Using the sun to generate that electricity is the cheapest and fastest way to meet our energy needs. This legislation will guarantee that ratepayer money for solar actually builds more solar in the state, rather than used for grant-making or general government functions, as is now the case.

In addition, there are few ways states can push back against the Trump regime. One way is to build out more solar energy, something the President despises.

In short, HB0345 is a bill focused on affordability and boosting our energy supply, with the added benefit of being an act of independence from and resistance to the incompetence and criminality of the Trump administration.

For these reasons, we urge a favorable report on HB0345.

Thank you for your consideration.

CHESSA - Affordable Solar Act One Pager.pdf
Uploaded by: Robin Dutta
Position: FAV

FACT SHEET

Affordable Solar Act

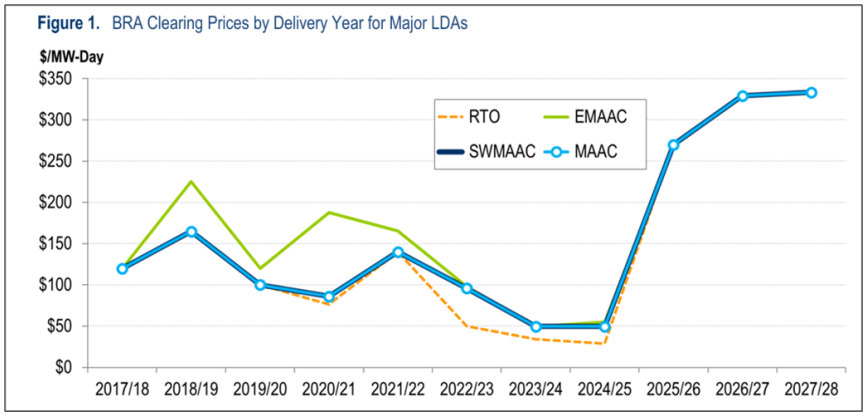
HB345 Charkoudian SB341 Brooks

Creating More Affordable Maryland Energy When Marylanders Need It the Most

New Solar/Storage Rapid Deployment Programs in Affordable Solar Act:

- **New Local Solar:** A new program designed to deploy at least 2 GW of new distributed solar, such as residential, commercial rooftop and parking canopies, and community solar, by 2035. This would speed up current rates of local solar adoption with lower ratepayer costs and exposure.
  Outcome: Increases Maryland energy generation and decreases net demand and grid strain
- **New Large-Scale Solar:** A new competitive procurement to add at least 2 GW of Maryland solar to the grid by 2035. This would speed up current rates of large-scale solar construction.
  Outcome: Increase Maryland energy generation

Not Enough Maryland Generation = Increasing Energy Prices

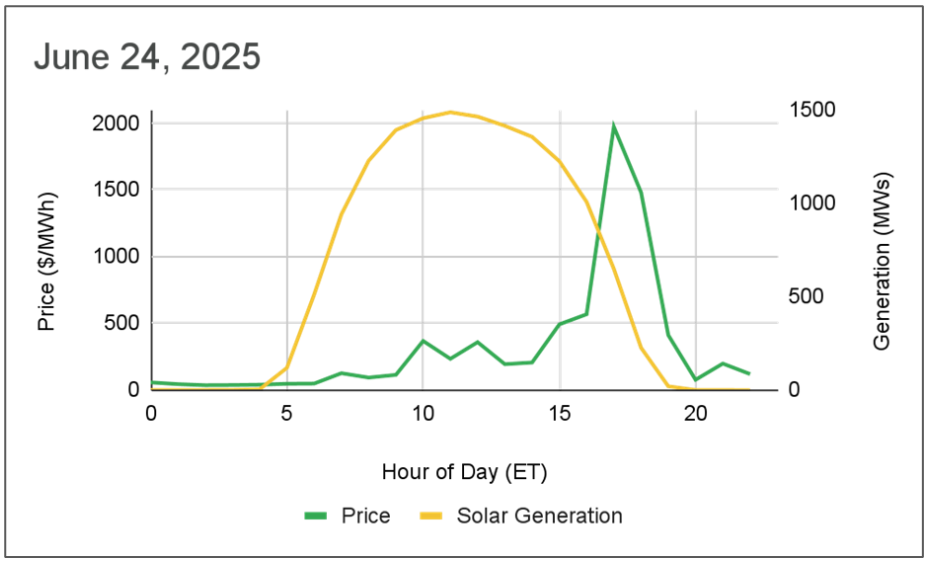


- ◊ **Importing Electricity:** Maryland relies on the PJM Interconnection to acquire most of its energy via capacity auctions. The latest auctions, from PJM's 2027/28 Base Residual Auction Report, shows the price spikes.
- ◊ **Rising Electricity Demand:** The latest PSC's 10-Year Plan for Electric Companies shows Maryland electricity demand set to increase by 2.3 percent annually, revised up from 1.2 percent
- ◊ **Econ 101 — Supply & Demand:** Without producing more energy in Maryland during peak, high demand times, Maryland is on track for even higher electricity prices.

The Affordable Solar Act would leverage private capital and to deploy new, firm clean energy capacity in Maryland— creating downward pressure on electricity prices and lowering RPS costs.

Have questions? Robin K. Dutta, Executive Director
robin@chessa.org
Chesapeake Solar and Storage Association (CHESSA)

Solar and Storage Keep Costs Managed



Source: PJM BGE Real Time LMP v. PJM Mid Atlantic Solar Generation Profile

The grid grows as the size of peak demand grows. Reduce peak demand and grid strain, and the pressure to import expensive power and overbuild the grid with extra power lines goes down. The necessary demand in capacity auctions also goes down.

50 MW solar	→	$7 million/yr avoided capacity costs for utilities
2,628 MW in-state solar	→	$28-40 million/yr estimated reduced grid costs
2,628 MW solar + 4-hr storage pairing	→	$183 million/yr potential reduced grid costs

Source: Witness Aloo, Case No. 9820 and PJM's ELCC Class Ratings for the 2026/27 Base Residual Auction and analysis of public utility data by Align Energy Advisors

Technologies such as rooftop solar, paired battery storage, energy efficiency can create the same resource adequacy benefits as a natural gas plant at 40-60% of the cost. (Source: The Brattle Group)

Large-scale solar is now the cheapest forms of new power generation. (Source: Lazard)

The Affordable Solar Act would leverage private capital and to deploy new, firm clean energy capacity in Maryland— creating downward pressure on electricity prices and lowering RPS costs.

Have questions? Robin K. Dutta robin@chessa.org Executive Director Chesapeake Solar and Storage Association (CHESSA)

CHESSA - ENT HB345 Affordable Solar Act FAV 202602

Uploaded by: Robin Dutta

Position: FAV

10 February 2026

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

Oral and Written Testimony
HB345: Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Position: Favorable

Chair Korman, Vice Chair Guyton, and members of the Environment & Transportation Committee, thank you for the opportunity to testify favorably on HB 345, the Affordable Solar Act.

I am Robin Dutta, the Executive Director of the Chesapeake Solar and Storage Association (CHESSA). Our association advocates for our member companies who represent all market segments across the solar and energy storage industries. Many members are Maryland-based. Others are regional and national companies with an interest and/or business footprint in the state. Our purpose is to promote the mainstream adoption of local solar, large-scale solar, and battery storage throughout the electric grid to realize a stable and affordable grid for all consumers. We are the regional affiliate of the national Solar Energy Industries Association.

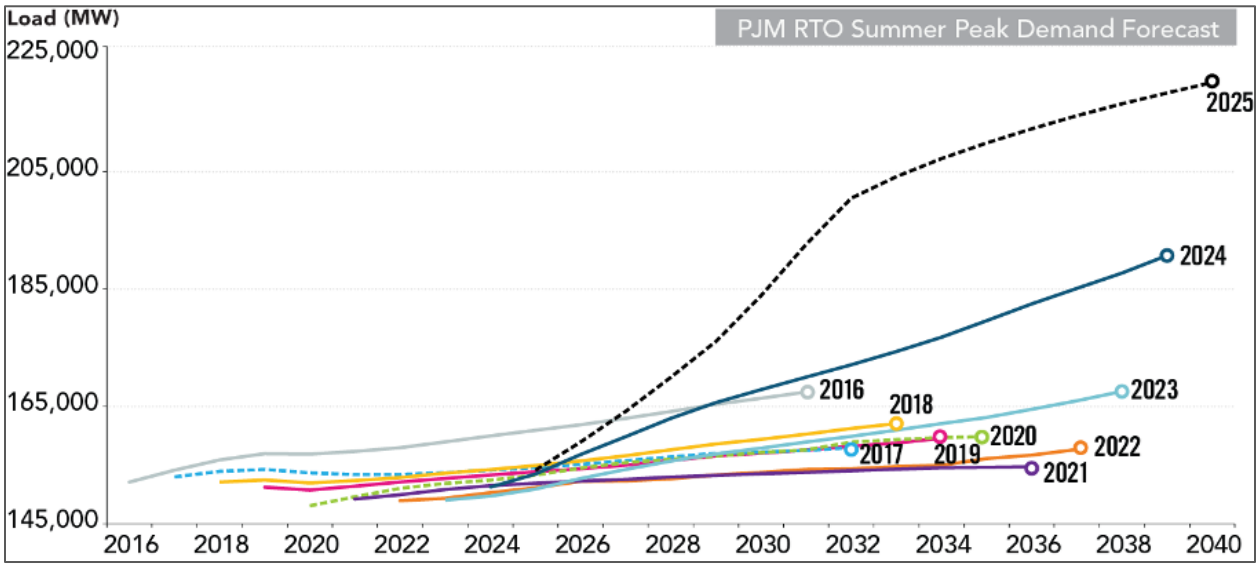
I am here to provide favorable testimony on HB345, the Affordable Solar Act. This bill is laser focused on helping Maryland consumers avoid energy cost increases by increasing Maryland clean energy generation, reducing the need to overbuild the electric grid, creating downward pressure on Maryland energy prices, and side-stepping the problems in the PJM Interconnection in the process. The major sections of the bill will help with this by creating:

- A new distributed solar program to install at least 2 GW of new capacity on the Maryland distribution grid
- A new large-scale solar procurement to install at least 2 GW of new wholesale energy capacity in Maryland

Maryland desperately needs more in-state generation to avoid record high prices coming from the regional grid operator, PJM. Solar is the only new generation coming online in Maryland, The Affordable Grid Act will lower the cost of the Renewable Portfolio Standard, keep the flow of new solar being deployed, and help Maryland avoid the high costs coming from PJM. And, in light of the repeal of the Federal Investment Tax Credit, it will create long-term business certainty for companies, signaling that Maryland is where solar companies should be doing business.

The Problem: The Increasing Energy Deficit Makes Prices Go Up

Marylanders are becoming much more sensitive to grid disruptions and electric price spikes. Electric demand is increasing. And there is already straining in its electric system. Maryland only generates about 60 percent of the electric generation it demands[1]. But importing electricity isn't an automatic solution because of the cost of new transmission and grid infrastructure that would be borne by the ratepayer. Nine of the 13 states in the PJM Interconnection (where Maryland resides) also must import electricity to serve their electric demand. There's growing demand and competition for an energy supply that needs to increase.



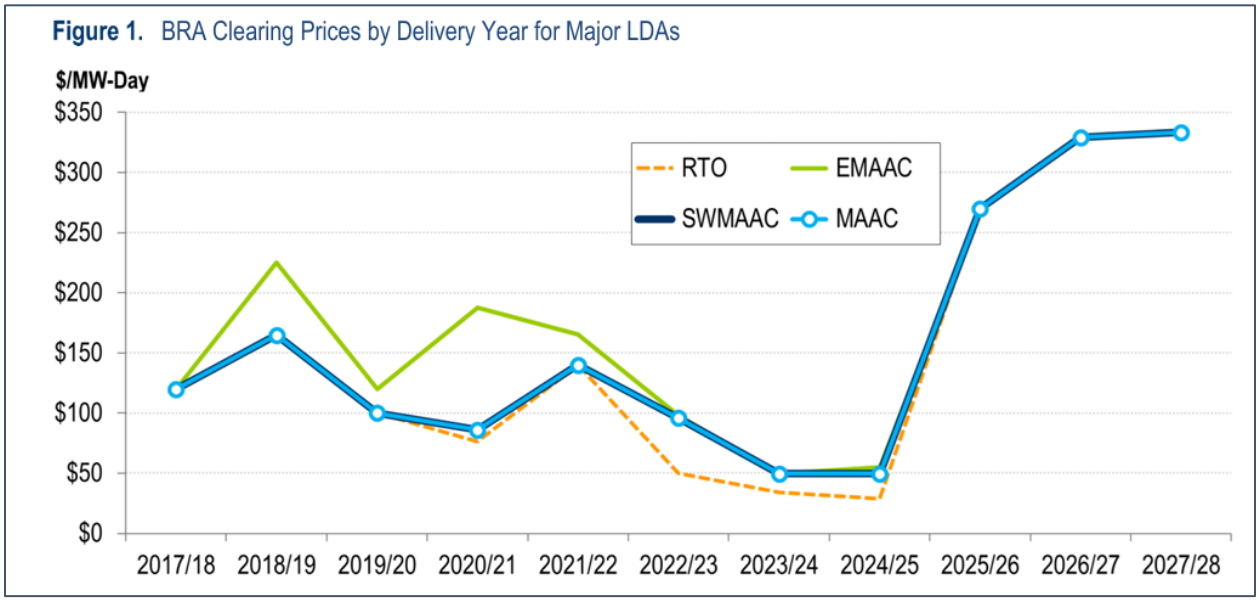
Source: Summer 2025 PJM Reliability Assessment

A January 2025 report from the U.S. Department of Energy shows that projected peak demand growth is only increasing, with electricity supply and demand data from the North American Energy Reliability Council showing the estimates being revised upwards each year since 2022.[2] If Maryland's electric future follows the projected national trend, it needs to step up the clean energy build-out throughout the state at the same time as handling fossil fuel retirements. Maryland has been experiencing energy inflation without demanding more electricity, but that is about to change. To prevent the problem from getting worse, scaling up statewide solar adoption of all kinds, needs to happen as soon as possible.

Layering on the problem are the faults within the PJM Interconnection, both with their capacity markets and their interconnection processes. The 2025/26 PJM forward capacity auction was calculated to increase as much as 24 percent by the Office of People's Counsel, according to an August 2024 report. The 2027/28 PJM auction cleared at a higher value than the 2025/26 auction, making a bad trend even worse. That auction clearing price ($333/MW-day) was a

[1] https://www.eia.gov/state/analysis.php?sid=MD
[2] U.S. Department of Energy. "Pathways to Commercial Liftoff: Virtual Power Plants 2025 Update". January 2025. p.7

record high, despite an auction ceiling price, and the fear was that without the ceiling price, the auction results would have eclipsed $500/MW-Day. A big reason was that there was not enough generation relative to the demand for electricity. As of today, there will be no ceiling price in the next capacity auction and the same supply dynamics.



Source: PJM 2027/28 Base Residual Auction Report

The latest report from the Maryland Public Service Commission's 10-Year Plan for Electric Companies shows Maryland's annual electric demand growth was revised upwards in their 2025 filings versus 2024[3]. That revision nearly doubles Maryland's anticipated annual load growth.

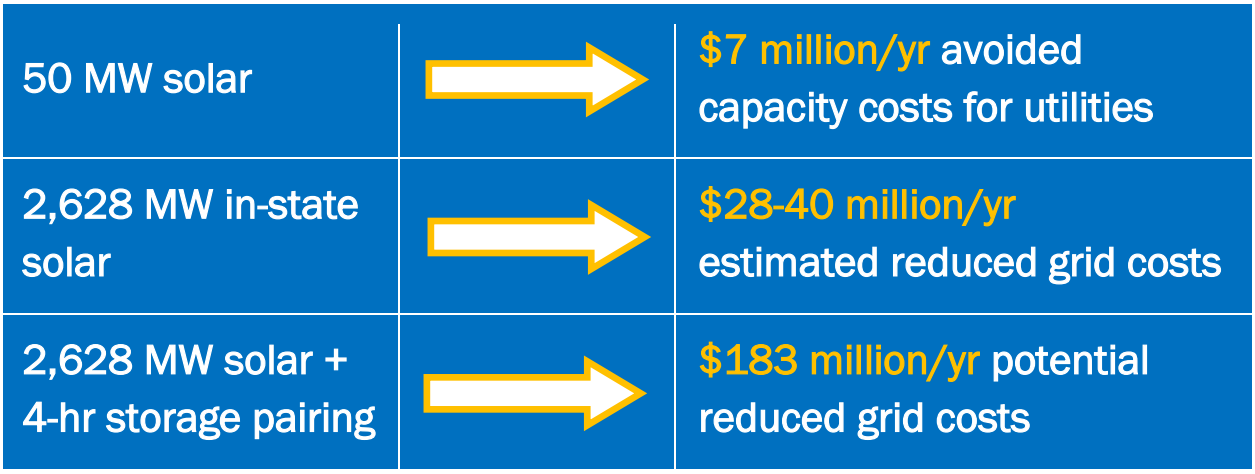
The Solution: More Maryland Solar Means Fewer PJM Problems

Firm capacity and generation to be relied upon does not have to come from incumbent generation technologies, such as coal, natural gas, or nuclear energy. Solar and wind technologies are ready to scale up at an increasing rate, when part of a portfolio that includes battery storage, to provide firm, reliable generation when consumers need it. And currently, solar and storage are the new generation coming online in Maryland.

For starters, large-scale solar and land-based wind now represent the cheapest new electric generating sources in the United States, according to the firm Lazard. New clean energy generation can be built and energized to generate when electricity demand is greatest during the day. When building portfolios of energy storage, those cheap solar and wind facilities can charge those assets to be used day or night.

[3] Maryland Energy Administration. "Reaching 100 Percent Net Carbon-Free Electricity in Maryland". January 2025. p.19

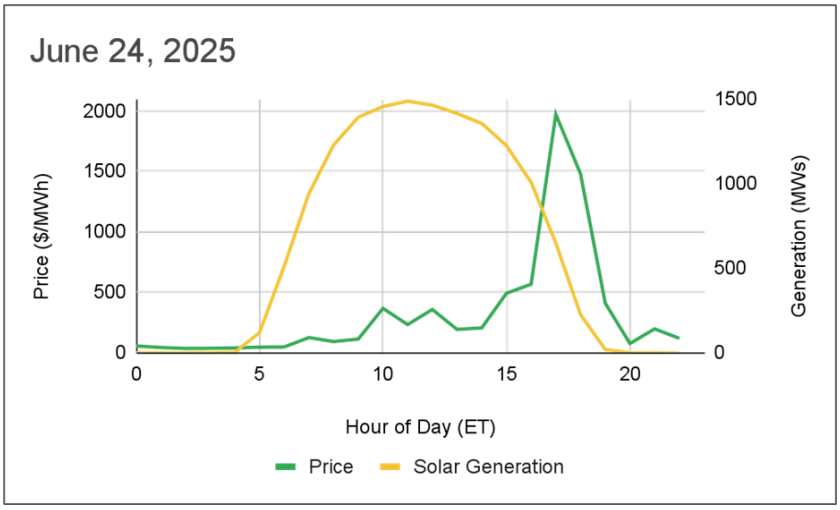
The data shows that distributed solar and storage strategies are scalable and help the electric grid. According to a study from the independent consulting firm The Brattle Group, distributed resources, which include a range of advanced energy technologies (such as local solar, storage, smart appliances, internet-connected thermostats, and energy management software) provide the *same* resource adequacy as a natural gas plant at 40-60 percent lower cost. The firm Deloitte analyzed the benefits that distributed energy resources including rooftop solar could deploy throughout local distribution grids in a 2024 report. Their conclusion was that scaling up the deployment and adoption of residential solar and related distributed resources would contribute to improved resiliency, reliability, and resource adequacy.



Source: Witness Aloo, Case No. 9820 and PJM's ELCC Class Ratings for the 2026/27 Base Residual Auction and analysis of public utility data by Align Energy Advisors

The figure above highlights what benefits distributed solar provides Maryland today, as well as what it could provide. More solar should be paired with storage, and more solar means more ability to lower peak demand for all utility territories. As the PJM Base Residual Auction clearing price increases, distributed solar becomes more valuable for reducing Maryland's exposure to those high-price auctions.

As Maryland consumers generate and use more distributed solar generation, the utilities do not have to procure as much energy via PJM or from out-of-state.



Source: PJM BGE Real Time LMP v. PJM Mid Atlantic Solar Generation Profile

The graph titled "June 24, 2025" shows the spike in energy prices and solar generation in Maryland for that day. Solar generation naturally helps to offset demand in peak periods, which occur during the day. The concentration of electricity costs occurs during peak demand periods, and when solar off sets some or all of that demand, it helps to lower prices across the grid. All ratepayers can benefit from avoiding those costs.

Meeting resource adequacy needs and growing electric demand can be an expensive proposition for the ratepayer. Utility-centric solutions are fully funded by the ratepayer. Wholesale energy solutions do not address local resiliency and reliability needs. All-of-the-above solar and storage strategies mean creating incentives that leverage private capital instead of directing ratepayers to foot the entire bill. Maryland has an energy problem that clean energy is ready to solve.

The Solution: Build More Firm, Clean Energy Resources in Maryland Despite PJM

The Affordable Solar Act is designed to increase in-state solar generation and relieve grid congestion by unlocking deployment potential for Maryland solar and storage assets that either do not need PJM approval or are in economic limbo after receiving PJM interconnection approval.

This legislation leverages nearly 20 years of Maryland investment in solar energy through the Renewable Portfolio Standard, and the federal policy investments mostly through the Investment Tax Credit. According to a 2021 National Renewable Energy Laboratories (NREL) study, residential rooftop, commercial rooftop, and large-scale solar systems achieved cost reductions of 64, 69, and 82 percent, respectively, since 2010. And, in the last ten years, as measured by

the Solar Energy Industries Association and the research firm WoodMackenzie, solar costs have declined by nearly 40 percent[4].

By creating deploy-first solar programs, the Affordable Solar Act recognizes the massive cost declines in the solar industry and tackling head-on the generation shortfall in Maryland:

New Distributed Solar. The Affordable Solar Act proposes creating a new distributed solar program that calibrates incentives based on different market segments and project types. It pre-sets them to make financing these projects easier and cheaper. This new program locks in the incentive through administrative action, which will mean that ratepayer dollars are used more efficiently. And it empowers the Public Service Commission to modify values if there are significant changes in economic conditions (ie. supply chain or labor disruptions) or federal policy (ie. tariffs, repeal of Solar Investment Tax Credit). They can adjust incentive levels accordingly without requiring subsequent legislative approvals.

Under this new program, funding for the Renewable Portfolio Standard would only go to projects that are online and generating. For the solar programs, that would mean only Maryland solar projects generating electricity would be receiving any support from the program.

If passed, there would be at least 2 GW of new distributed solar in Maryland, helping to meet growing energy demand and improve the grid so it costs less for all Maryland residents.

New Large-Scale Solar Procurement. This legislation would also create new competitive procurements starting right away for large-scale solar, creating a pathway for mature and ready-to-build utility-scale solar projects to lock in financing, get built, and then energized in Maryland's grid. There are already over 900 MW of Maryland-sited solar plus storage projects in the PJM queue. By creating a clear procurement pathway, the Maryland PSC can create an onramp from the PJM interconnection queue for newly approved projects to quickly secure financing and move into the construction phase. This competitive process also allows for the prospect that if there are changes to federal clean energy policies (ie. tariffs, repealing the Investment Tax Credit), they can automatically be account for.

In the near-term, the procurement can enable mature and ready-to-build solar projects can be built throughout Maryland. In the longer term, when the PJM interconnection process is approving new projects, there will be a pipeline of ready-to-build projects ready to participate in this procurement process. And by 2035, there can be at least 2 Gigawatts of new large-scale solar in Maryland, serving Maryland's consumers, and reducing the need for importing electricity.

[4] SEIA/Wood Mackenzie Power & Renewables U.S. Solar Market Insight Q4 2024. https://seia.org/research-resources/solar-industry-research-data/#:~:text=The%20cost%20to%20install%20solar,deploy%20thousands%20of%20systems%20nationwide.

Conclusion

In conclusion, the Affordable Solar Act is designed to deploy new solar in Maryland, leveraging private capital, avoiding fully funded ratepayer projects, avoiding unnecessary transmission expansion projects, and creating downward pressure on energy costs for Maryland consumers. It will make sure that dollars in the Renewable Portfolio Standard only supports new generation systems that produce energy. It has the added benefit of helping meet Maryland's decarbonization goals, which shows that clean energy has matured to the point where it can solve today's grid issues and contribute to environmental solutions.

CHESSA urges a favorable report on HB345.

Please reach out with any questions. CHESSA is here to be a resource to the committee.

Sincerely,

Robin K. Dutta

Robin K. Dutta
Executive Director
Chesapeake Solar and Storage Association
robin@chessa.org

SUN Action HB 0345 SUPPORT Testimony.pdf
Uploaded by: Selah Goodson Bell
Position: FAV

SOLAR UNITED NEIGHBORS ACTION

HB0345 - SUPPORT
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sgbell@solarunitedneighbors.org

HB0345 -
Solar Energy Generating Systems and Solar Renewable Energy Credits
(Affordable Solar Act)

Environment and Transportation
February 10th, 2025

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

On behalf of my organization, Solar United Neighbors Action (SUN Action), I urge a favorable report on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). HB0345 puts Maryland on a path towards a reliable, clean, and affordable energy future. SUN Action is a 501(c)4 non-profit organization that represents the needs and interests of solar owners and supporters in Maryland and across the country. Together with our 501(c)3 affiliate Solar United Neighbors (SUN), we help people go solar, join together, and fight for their energy rights. SUN is dedicated to creating a clean, equitable, resilient energy system that benefits everyone. SUN has helped more than 1,925 Marylanders add 17 MW of solar to their homes and businesses and represents forty five thousand solar owners and supporters across the state. These comments are on behalf of SUN Action.

The unchecked growth of power hungry data centers across the region are forcing Marylanders to weather skyrocketing electricity bills, up 40% in the past five years, and potential rolling blackouts as soon as next year. Electric capacity auctions have cleared at record-high prices for the second year in a row.[1] The Affordable Solar Act offers Marylanders much needed relief by ensuring long term stability for ongoing solar deployment and removing outdated regulatory measures that prevent many residents from harnessing the power of the sun.

Many of our neighbors in the region and further down south are scrambling to meet surging power demand by fast-tracking the build out of dirty, expensive, and unreliable gas power plants. This locks in decades of greenhouse gas emissions and subjects our most vulnerable residents to toxic air pollutants, perpetuating long legacies of environmental injustice and undoing our ongoing attempts to build a more equitable and clean energy system. Gas power plants are also ill suited to withstand increasingly intense weather events, often leaving residents powerless during the coldest winter storms.

[1] Maryland Matters, "Energy bills likely to tick up again in 2026 after electricity auction clears at maximum price," (July 2025) https://marylandmatters.org/2025/07/23/energy-bills-likely-to-tick-up-again-in-2026-after-electricity-auction-clears-at-maximum-price/

SOLAR UNITED NEIGHBORS ACTION

HB0345 - SUPPORT

Selah Goodson Bell
Solar United Neighbors Action
sgbell@solarunitedneighbors.org

Marylanders need common sense, community-oriented energy solutions that prioritize the needs of ratepayers over the profits of data center developers and utility companies. Solar, especially on rooftop and community solar, is a cost effective, resilient, and clean energy resource that can meet our energy needs without sacrificing our health, climate goals[2], or grid stability. Distributed solar in particular, when compared to traditional utility scale resources, can also more easily improve energy equity by localizing and concentrating the above benefits in the communities that need them the most— like low income and overburdened communities with high energy burdens, less access to modern energy infrastructure, and disproportionate exposure to pollution.

Solar United Neighbors' latest report[3] with Current Energy Group dives into the value of distributed energy resources (DERs), like distributed solar, to Virginia's residents and energy system. It finds that by 2028, an achievable expansion of DERs would provide the same capacity as a new 950 MW gas plant, but cost $288+ million less per year, saving the average Virginian family $90 dollars per year. Maryland could start seeing similar savings if it passes bills like the Affordable Solar Act and other pieces of legislation that deploy more DERs instead of fossil fuels.

The Affordable Solar Act has a two pronged approach to ensuring more Maryland residents can enjoy the many benefits of solar energy without increasing utility bills:

1. The bill will reform Maryland's Solar Renewable Energy Credit Program to ensure rooftop and community solar receive the appropriate incentive prices and to mandate the PSC to conduct competitive procurements for utility-scale solar. It also creates an escrow account system that ensures transparency and prevents utilities from passing excessive costs to customers. These changes will keep costs low, ensure that no industry sector receives more incentives than necessary, and make sure that utility compliance fees actually go towards building out more solar.
2. The bill will also remove outdated interconnection and permitting requirements for small, plug-in solar systems so that more Marylanders, particularly low income residents and renters, have the energy freedom to go solar. A typical plug-in solar system can reduce apartment electricity bills by 10-30%.[4] Current requirements can cost hundreds of dollars and are designed for rooftop solar installations, not smaller household appliances like plug-in solar. Removing this red tape can help every household get immediate relief from surging energy bills.

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[2] We need to meet our goal of 50% renewable energy by 2030. Maryland Public Service Commission, "Renewable Energy - Electricity," referencing the Clean Energy Jobs Act of 2019 establishing the 50% renewable energy requirement by 2030 https://www.psc.state.md.us/regulated-utilities/electricity/renewable-energy/.

[3] Current Energy Group, "Value of Distributed Energy Resources in Virginia An Assessment of Benefits and Cost-Effectiveness Prepared for Solar United Neighbors," (January 2026) https://solarunitedneighbors.org/wp-content/uploads/2026/01/FINAL_VA_SUN-CEG_2026JAN09.pdf.

[4] Solar Tech Online, "Solar Panels For Apartment Balconies: Complete 2025 Installation Guide," (August 2025) https://solartechonline.com/blog/solar-panels-apartment-balcony-guide/

SOLAR UNITED NEIGHBORS ACTION

HB0345 - SUPPORT
Selah Goodson Bell
Solar United Neighbors Action
sgbell@solarunitedneighbors.org

For these reasons, we urge a favorable report on HB0345.

Thank you for your consideration.

Maryland Written Testimony 2_10 (1).pdf
Uploaded by: Skye Richmond
Position: FAV

HB0345 - SUPPORT

Skye Richmond
Bright Saver
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HB0345 - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

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

My name is Skye Richmond representing Bright Saver, a non-profit dedicated to building a plug-in solar movement in the US, making solar ownership affordable and accessible to everyone. I am testifying to encourage the Committee to support HB0345 to allow the people of Maryland to have greater access to the benefits of solar PV systems and to save money by reducing their electricity bills.

Maryland is ready to lead on clean energy, and Marylanders are ready for change. We believe that Maryland families deserve real solutions that give us control over our energy future, not just more expensive bills. Plug-in solar provides meaningful access for renters and apartment residents. According to 2020 Census data, approximately 32% of housing units in Maryland are occupied by renters. We believe energy independence should be available to all Marylanders, not just those who own homes, and this bill breaks down such barriers that have kept solar access out of reach.

Plug-in solar reduces electricity bills and improves energy resilience. By directly supplying power to household appliances, these systems reduce the amount of electricity households must purchase from utilities. A typical plug in solar system can reduce apartment electricity bills by 10-30%[2].

We support HB0345 as written because it ensures that plug-in solar systems are safe for consumers and for the grid. Systems installed according to safety standards cited in the bill will not:

- Shock users
- Overload circuits or create fire hazards
- Backfeed during a power outage, which protects line workers and anyone working on a multi-unit building

Proven policy models show that exempting small plug-in solar systems from one-size-fits-all interconnection requirements—while maintaining clear safety standards—can significantly reduce costs and accelerate clean energy adoption without shifting costs to utilities or other

ratepayers. For instance, in Utah HB 340 passed unanimously last year and this year, more than 25 states are moving plug-in solar legislation across the political spectrum.

For these reasons, I urge the Committee to issue a favorable report on HB0345 and support legislation that expands access to affordable, scalable clean energy solutions.

Thank you for your consideration.

[1] Maryland Matters, "Energy bills likely to tick up again in 2026 after electricity auction clears at maximum price," (July 2025)
https://marylandmatters.org/2025/07/23/energy-bills-likely-to-tick-up-again-in-2026-after-electricity-auction-clears -at-maximum-price/
[2] Solar Tech Online, "Solar Panels For Apartment Balconies: Complete 2025 Installation Guide," (August 2025)
https://solartechonline.com/blog/solar-panels-apartment-balcony-guide/

Takoma Park 2026 - HB 345 FAV - Affordable Solar A

Uploaded by: Talisha Searcy

Position: FAV

CITY TAKOMA OF PARK MARYLAND

House Bill 345 – Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
House Environment and Transportation Committee
February 10, 2026

SUPPORT

The City of Takoma Park urges a favorable vote on the Affordable Solar Act (HB 345), which advances solar energy generation in Maryland in three ways. First, it streamlines the process for installing portable residential "balcony" solar panels, making solar power more accessible to renters and residents in multifamily buildings. Second, it updates the state's Solar Renewable Energy Credit (SREC) program to encourage greater investment in large-scale solar projects. Finally, it establishes a dedicated funding mechanism, ensuring that ratepayer contributions intended for clean energy are effectively utilized to support this initiative.

The City of Takoma Park is home to approximately 18,000 residents and covers 2.4 square miles within Montgomery County. About half of the population owns their homes while the other half rents, representing a diverse range of incomes and building types. Greenhouse gas reduction is a longstanding priority for the City of Takoma Park, with a goal to achieve net-zero greenhouse gas emissions by 2035.

Transitioning to renewable energy—through both smaller local projects and larger statewide efforts—is essential for Takoma Park to achieve its greenhouse gas reduction and climate action goals. Like many communities in Maryland, Takoma Park is already experiencing the effects and financial burdens of climate change. By improving the statewide SREC program and introducing a dedicated funding source, it will become more practical to meet Maryland's solar energy targets. These changes will help Takoma Park residents and others by increasing access to diverse energy sources, helping stabilize electricity costs, and decreasing dependence on fossil fuels.

Our residents who rent and/or live in multifamily buildings will especially benefit from simplified rules for installing portable small-scale solar panels. Utility bills and energy cost burden continue to rise, most directly affecting many of these same residents.

(over)

Solar power has not been easily available to renters, due in part to complex regulatory requirements. Yet portable home solar can significantly reduce a family's burden of energy costs, and more equitably allow renters (many of whom are both lower income and people of color) access to this energy choice.

HB 345 directly supports several City council priorities, for a sustainable community, quality housing for all, and a more equitable community for all.

Therefore, the City of Takoma Park supports HB 345, and encourages a favorable vote.

City Contact: Talisha Searcy, Mayor
talishas@takomaparkmd.gov

HB0345 written testimony.pdf
Uploaded by: Therese Langer
Position: FAV

HB0345 - SUPPORT
Therese Langer
Third Act Maryland
tlanger626@gmail.com

HB0345
Solar Energy Generating Systems and Solar Renewable Energy Credits
(Affordable Solar Act)

Environment and Transportation
February 6th, 2025

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

On behalf of Third Act Maryland, I urge the committee to report favorably on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). Third Act Maryland is a group of older adults bringing our collective power to climate justice and democracy efforts to make the planet more livable and to protect voting rights. State and local actions to expedite solar power generation are among the largest and least expensive opportunities to reduce the emissions driving climate change. HB0345 is such an action.

Maryland households continue to face electricity bill increases,[1] and the state is falling short of its targets for renewable energy use.[2] HB0345 would help to address both of these urgent problems by increasing Maryland's generation of solar power, now the fastest and most cost-effective way to build new electricity generation. HB0345 would:

1) Update the Solar Renewable Energy Credits (SRECs) program to accelerate solar power uptake and promote diverse solar installation types (utility scale solar, community solar, and rooftop solar) while minimizing cost to utility customers of reaching the state's renewable power goals.

2) Ensure that electricity suppliers' Alternative Compliance Payments (ACPs) to the Public Service Commission for shortfalls in their provision of renewable energy are

[1] Maryland Matters, "Energy bills likely to tick up again in 2026 after electricity auction clears at maximum price," (July 2025) https://marylandmatters.org/2025/07/23/energy-bills-likely-to-tick-up-again-in-2026-after-electricity-auction-clears -at-maximum-price/.
[2] Maryland Energy Administration, "Reaching 100 Percent Net Carbon-Free Electricity in Maryland," (January 2025) https://energy.maryland.gov/Reports/MEA%20100%20Clean%20Electricity%20Report.pdf.

used to reach Maryland's solar adoption targets. The current practice of diverting ACP revenues to other uses not only undermines Maryland's efforts to reach its ambitious clean power goals but also unfairly burdens the state's less affluent households.

3) Allow more Maryland residents to generate solar power at home. The bill would remove barriers to compact, plug-in solar devices ("balcony solar"), enabling renters and others for whom rooftop systems may not be practical to generate affordable, clean power for home use.

Hence HB0345 advances solutions to high-priority consumer and climate challenges for the 2026 Maryland legislative session. It also will contribute to the democratization of energy generation and use in our state and provide a bulwark against the encroachment of the federal government on our access to affordable, clean, locally generated power.

Third Act Maryland urges the committee to advance HB0345 to the Assembly. Thank you for the opportunity to provide comment.

Affordable Solar Act testimony Lake.pdf
Uploaded by: Tim Lake
Position: FAV

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

I urge a favorable report by the committee on HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act). HB0345 will make significant advances in the clean, affordable, and urgent energy transition that Maryland needs.

Maryland has been a leader on clean energy, and I would like to keep our state in this position. At the same time, Maryland families face some of the highest electricity costs in the nation and prices keep going up.[1] We need to increase energy supply to address affordability. Solar energy is now one of the cheapest forms of energy and we need to take action to increase access to solar for all Marylanders.

HB0345 creates a system that ensure transparency and prevents utilities from passing excessive costs to customers. This approach balances our urgent need for clean energy with strong protections for families and businesses.

I'm very excited about the idea that HB0345 can make solar energy accessible to everyone independently of owning a single family home or not. The portable solar provisions will allow renters and condo owners to finally participate in the clean energy economy. This bill breaks down such barriers that have kept solar access out of reach.

Let's meet the climate crisis with real action by moving forward with HB0345!

Thank you for your consideration.

Tim Lake

Rockville, MD

[1]Maryland Matters, "Energy bills likely to tick up again in 2026 after electricity auction clears at maximum price" (July 2025) https://marylandmatters.org/2025/07/23/energy-bills-likely-to-tick-up-again-in-2026-after-electricity-auction-clears-at-maximum-price/

HB 345 - SWASC - Solar - FAV.pdf
Uploaded by: UM SWASC
Position: FAV

SWASC Social Work Advocates for Social Change

For more information, please contact
Thomas Northrup, Michael Godfrey
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TESTIMONY IN SUPPORT OF HOUSE BILL 345

Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy (Affordable Solar Act)

Environment and Transportation Committee

February 10, 2026

Social Work Advocates for Social Change strongly supports HB 345, which will reform Maryland's Solar Renewable Energy Credit (SREC) program and direct funds to incentivize medium- and large-scale solar projects without increasing ratepayer bills. It also legalizes the use of portable solar panels, which homeowners and renters can use to lower their energy bills, and will implement consumer protections against utility companies' fining them for using portable solar.

Expanding the availability of solar energy in Maryland will reduce carbon dioxide emissions in the state and its harmful and costly impacts. The consequences of carbon pollution are well documented: increased temperatures, erratic precipitation patterns, and sea level rise, among others.[1] Each year, carbon pollution causes more harm to Marylanders. Last summer was the deadliest on record for heat deaths in the state.[2] Western Maryland is still recovering from last spring's floods.[3] Meanwhile, flooding in Annapolis becomes increasingly regular and expensive to mitigate.[4] Climate disasters like these disproportionately affect lower-income people, especially those from historically marginalized groups.[5]

The solar energy incentives in HB 345 are critical for Maryland's energy future, and they can help address high energy bills. Portable solar can offer economic relief to Marylanders who are increasingly overwhelmed by high energy bills. Portable solar panels are low-cost, have high impact, and immediately effective ways for residents to autonomously produce their energy, lower electricity bills, fortify themselves against energy blackouts, and reduce air pollution. Too many Maryland families have to choose between paying for electricity and other utilities or paying for other necessities, like food and health care. Access to climate-conscious energy should be a Maryland standard to bridge the gap between state and individual responsibility and protect our environment while improving our quality of life.

HB 345 expands the potential of solar energy in Maryland by allowing for portable options that renters can take advantage of. All Marylanders deserve the opportunity to avail themselves of affordable solar power for their families and their neighborhoods. Portable and balcony solar options – as proposed in HB 345 – plug directly into a standard outlet and immediately lower electrical usage.[6] Furthermore, portable options empower those who have been the most impacted by climate change and the rising price of traditional fossil fuel energy to choose and participate in climate solutions.

SWASC Social Work Advocates for Social Change

For more information, please contact
Thomas Northrup, Michael Godfrey
umswasc@gmail.com

Adopting HB 345 reduces Maryland's reliance on other states for energy. Maryland has retired gas and coal power plants without investing enough into renewable energy, which has made us depend on other states for about 40% of our power.[7] Creating our own solar power can increase Maryland-produced energy and further reduce utility costs. At the same time, the bill responsibly allocates compliance fees and public service company taxes to an account that specifically invests in more solar incentives to ensure that this program can be financially maintained for years to come without drawing unduly on the state budget.

Solar energy is the fastest and most cost-effective way to build new electricity generation. Maryland should embrace every opportunity to reduce our carbon emissions, and expanding solar access through HB 345 is an easy, profitable step in that direction. Other countries, states, and municipalities that have made portable solar available experience rapid adoption of the technology, emissions reductions, and lower costs. It's time for Maryland to follow suit and secure our energy independence.

Social Work Advocates for Social Change urges a favorable report on HB 345.

Social Work Advocates for Social Change is a coalition of MSW students at the University of Maryland School of Social Work that seeks to promote equity and justice through public policy, and to engage the communities impacted by public policy in the policymaking process.

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[1]Emanuel, K. 2024. Climate Science, Risk & Solutions. https://climateprimer.mit.edu/climate-science-risk-solutions.pdf
[2]Maryland 2025 Heat-Related Illness Surveillance Summary Report. https://health.maryland.gov/preparedness/Documents/2025%20Heat-Related%20Illness%20Surveillance%20Summary%20Report.pdf
[3]Sears, B. 2025. Cost of Western Maryland flood damage more than doubles. https://marylandmatters.org/2025/08/19/cost-of-western-maryland-flood-damage-more-than-doubles-state-to-appeal-fema-aid-denial/
[4]Alexander, J. 2024. Worse and Worse. https://wtop.com/anne-arundel-county/2024/08/8th-worst-flood-on-record-debbys-aftermath-causes-annapolis-to-declare-state-of-emergency/
[5]Coelho et al.. 2025. Global socioeconomic disparities in exposure to extreme heat. https://doi.org/10.1007/s10584-025-04075-3
[6] Chesapeake Climate Action Fund. 2026. *Affordable Solar Act.* *https://www.ccanactionfund.org/maryland/affordable-solar/*
[7]U.S. Energy Information Administration, January 2025. Maryland Analysis https://www.eia.gov/states/MD/analysis

HB345_FAVWAMEND_PSC.pdf
Uploaded by: Barve Barve
Position: FWA

STATE OF MARYLAND

PUBLIC SERVICE COMMISSION

Chair Marc Korman
Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

RE: HB 345 – Favorable with Amendments - Public Utilities – Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)

Dear Chair Korman and Committee Members:

The Public Service Commission (the "Commission") appreciates the opportunity to provide this testimony for HB 345. We understand the bill's sponsor is offering substantial amendments, and with those we offer our support for the legislation.

With the sponsor's amendments, HB 345 offers stability for Maryland's solar development landscape by having the Commission oversee the procurement of Solar Renewable Energy Credits ("SCRECs" and SREC-IIs"). It provides a pathway for additional generation development and helps offset the costs of the new generation through utilization of the alternative compliance payments.

HB 345 fundamentally changes and expands the Commission's and electric utilities' roles with respect to solar development in the State. Currently, the Commission enforces compliance with the Solar Renewable Energy Portfolio Standard (Solar RPS) by monitoring and overseeing certain electric utilities and electric suppliers. Today, those utilities and suppliers purchase SRECs to comply with the State's Solar RPS. Under HB 345, the Commission will be tasked to craft and implement two new procurement programs, under which electric utilities will purchase all solar renewable energy credits:

- The Distributed Solar Facilities Incentive program is designed to incentivize the development of new solar generation capacity of at least 2,000 MWs from qualifying distributed systems 5 MWs or smaller. The Commission is tasked to create "blocks" of megawatt capacity on a yearly basis, then solicit and facilitate the utilities' purchase SREC-IIs from a variety of different types of distributed solar facilities. The amended bill will offer guidance to the Commission to ensure the costs of this program are below 5% of an average annual electric bill.

- The Utility-Scale SREC-II program is designed to incentivize the development of at least 2,000 MWs from utility-scale systems larger than 5 MW. The Commission is tasked with creating a competitive solicitation process for these projects.
- The legislation retains the system currently in place for suppliers to purchase solar renewable energy credits for solar systems built prior to the new programs going into effect. It is unclear how this could interact with the new program and the Commission seeks amendments to clarify this. It is our understanding the Bill Sponsor is developing amendments to address this concern.

To facilitate the new purchasing programs, HB 345 establishes a new escrow account. Starting in October 2026, ACPs paid in lieu of required REC purchases under the State's RPS will be paid into the new escrow account. ACPs will no longer be directed to the Strategic Energy Investment Fund ("SEIF"). Additionally, a portion of funds collected under the utility franchise tax and attributable to large users of energy will be directed to the escrow account. These funds will be used to purchase SREC-IIs when the Commission implements the new procurement programs. The escrow account will serve as the platform for the purchase of SREC-IIs under the new program.

HB 345 allows municipal electric companies and electric cooperatives to meet their solar RPS requirements by authorizing the purchase of SREC-IIs through a procurement process established by the Commission. However, these utilities will still have the option to purchase solar credits on their own.

HB 345 requires the Commission, in consultation with the Department of Labor, to develop and adopt regulations regarding labor requirements for utility-scale solar projects that participate in the new procurement program. The Commission currently does not have the labor enforcement or labor law expertise that would be necessary to enforce such regulations, and we look forward to continuing to discuss potential amendments with the bill sponsor and the Department of Labor.

Finally, HB 345 allows for the use of new technology called "portable solar." This is exciting new technology that will enable far more Marylanders to use solar energy to power their homes and businesses.

House Bill 345 represents a fundamental restructuring of Maryland's solar landscape. House Bill 345 requires the Commission to take on new duties and expand existing duties such as solar forecasting, procurement design and implementation for multiple purchasing schemes, development of new tracking and enforcement tools and processes, overseeing a new solar escrow account, coordination with the Comptroller, Department of Labor, and independent escrow administrator, and enforcement of labor, community benefit, and fraud provisions. Because of the scope and nature of new and expanded duties under the bill, the Commission will need to hire four

full-time personnel, and we will need to contract with at least two consultants to assist with procurement design and implementation.

The Public Service Commission appreciates the opportunity to provide testimony for your consideration for HB 345. We request a favorable report with support for the amendments offered by the sponsor. Please contact Niki Wiggins, Director of Legislative Affairs, at irene.wiggins3@maryland.gov if you have any questions related to this informational testimony.

Sincerely,

Kumar P. Barve
Chair, Maryland Public Service Commission

MAREC Action testimony HB345 2026 FAV W AMENDMENT.
Uploaded by: Evan Vaughan
Position: FWA

February 6, 2025

MAREC ACTION TESTIMONY HB 345: FAVORABLE WITH AMEDMENTS

Chair Korman, Vice Chair Guyton, members of the Environment and Transportation Committee,

MAREC Action (informally, "Mid-Atlantic Renewable Energy Coalition") writes in support of HB0345, Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act), which seeks to modernize Maryland's solar incentive structure by transitioning to a competitive procurement model. MAREC Action is a Maryland-based coalition of over 50 utility-scale solar, wind, and battery storage developers and manufacturers dedicated to the growth and development of renewable energy across the PJM grid region.

HB345 will help overcome existing barriers to solar deployment in Maryland while simultaneously protecting ratepayers from unnecessary costs. MAREC Action urges the Committee's support. We are working with the sponsor on a minor amendment in the spirit of the legislation to preserve existing bilateral contracts, but this should not stand in the way of a favorable report by this Committee.

We know energy affordability is a key concern for Marylanders. A regional imbalance electricity supply and demand is driving up the wholesale cost of electricity. As a result, the best way to stabilize rising wholesale energy prices is to add zero fuel cost resources like solar and wind to the grid. These inexpensive resources bring down the overall cost of energy because they have no variable fuel cost and save our natural gas supplies for when they are needed most.

Even though utility-scale solar is the least expensive form of new generation[1], Maryland needs to implement incentive reform for the state to stay competitive for utility-scale solar investment. With federal tax incentive availability ending in July 2026, solar project economics will become tighter, and developers will seek only the most competitive project locations. Without solar incentive reform this year, it is very possible that Maryland will face a "valley of death" for utility-scale solar in the late 2020s, where newly limited investment dollars flow to other states.

Building a new power plant (solar or otherwise) is comparatively expensive in Maryland, due to a lack of transmission infrastructure, high land prices, and existing incentive levels that are lower than neighboring states. These challenges are not unique to solar, and we anticipate that any new power plant (including new natural gas) will need incentives to build. Utility-scale solar's low cost, relative to other sources, enhances the value and timeliness of market reforms proposed in HB345.

[1] https://www.lazard.com/media/5tlbhyla/lazards-lcoeplus-june-2025-_vf.pdf

Maryland solar projects are currently incentivized by the state's renewable portfolio standard (RPS). Under the RPS, electricity suppliers are required to purchase Renewable Energy Credits (RECs) relative to the amount of electricity they sell annually, otherwise they must pay an Alternative Compliance Payment (ACP) which serves as a cap on the market. There is a specific carve-out for RECs generated from solar projects within Maryland (SRECs). Maryland's SREC market has driven less investment than it otherwise would because the ACP value is consistently below the regional market valuation of RECs. The entire PJM grid region has a shortage of RECs relative to demand, causing project developers to prioritize development in other states where costs are lower and incentives are higher. The lack of REC supply has driven up prices to the point that it is more economical for electricity suppliers to pay the ACP's than to procure RECs. Paying ACPs does nothing to incentive solar development in the state or stabilize electricity prices.

HB 345's "SREC II" framework addresses these issues by differentiating incentives based on solar project type, recognizing that distributed solar and utility-scale solar have different cost structures and development challenges. Crucially, the bill mandates competitive solicitations by the Public Service Commission (PSC) from 2028 to 2035 to procure up to 4,000 MW of solar energy—split evenly between distributed and utility-scale projects.

This procurement model helps new generation overcome deployment challenges while ensuring that incentives are set at the right level to minimize ratepayer costs. Developers are incentivized through competition to submit bids at the lowest feasible incentive levels in order to be selected by the PSC. This approach ensures that ratepayers are not over-paying for projects (or paying for ACPs) and developers are incentivized to pursue innovative siting, design, and cost-reduction strategies.

HB345 directs future ACP payments into a dedicated fund—with the sole purpose of getting new cost-effective solar projects built in Maryland. By reinvesting ACP dollars into deploying more in-state solar energy, HB345's incentive program can be implemented without additional cost to ratepayers. Over time, the increased investment in Maryland solar will reduce wholesale electricity prices.

We thank you the Committee for your close consideration and ask that you take a favorable position on this legislation to allow refinements to continue throughout the session.

Thank you,

Evan Vaughan
Executive Director
MAREC Action
PO Box 3335
Silver Spring, MD 20918

HB345_MEA_FWA
Uploaded by: Landon Fahrig
Position: FWA

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.

NCS - MD - ENT Testimony HB345 2026.02.10.pdf
Uploaded by: Nicole Rentz
Position: FWA

NEW COLUMBIA SOLAR

February 10, 2026

Environment and Transportation Committee
Annapolis, Maryland

Written Testimony
HB345: Affordable Solar Act

Position: Favorable with Amendments

Thank you for the opportunity to submit testimony on House Bill 345, the Affordable Solar Act.

New Columbia Solar is a non-residential rooftop and parking canopy solar developer in Maryland and DC. Our customers are primarily commercial, multi-family residential, industrial, and institutional building owners (shortened here to "commercial rooftops" or "commercial rooftop solar"). We submit this testimony to urge you to consider the commercial rooftop solar market segment in Maryland in the Affordable Solar Act. We are concerned that, as drafted, it could harm instead of help this market and its customers, which we do not believe is the intent of the bill, and which could be addressed by a simple amendment to the listed market segments in section 7-1233(E)(1).

Commercial rooftops are already-developed sites that do not engender the controversy of solar on rural land. On top of that, solar systems located on commercial rooftops are sited directly on top of load in dense areas—exactly where solar power generation can provide the most benefit to ratepayers by eliminating distribution and transmission costs. Further, commercial rooftops are cheaper on a per-watt basis than single-family residential systems, having better economies of scale, while being much faster to develop than most groundmount systems, as they do not require CPCN approval. Commercial rooftops should be used as much as possible in meeting MD's solar goals, but their potential remains vastly underutilized, with most Maryland solar development occurring in the single-family residential and groundmount community solar sectors due to incentive structures.

The Affordable Solar Act as drafted would continue this trend, because it lumps groundmount and commercial rooftop solar into single market segments with single capacity blocks and ADIs. On page 16, section 7-1233(E)(1), the "Community Solar" market segment includes both rooftop community solar and groundmount community solar, and the "Behind the Meter (BTM) Non-residential" segment includes both BTM commercial rooftop systems and BTM groundmount systems (which are typically aggregated net-metered, or ANEM systems).

Given that in our experience, roughly 80% of commercial rooftop solar is community solar rather than BTM solar[1], we are most concerned about this issue regarding the community solar market segment, for the following reasons:

[1] **The majority of commercial building owners cannot install BTM systems on their roofs, so this market segment is actually served mostly by community solar systems.** The reason for this is that most commercial and multi-family buildings have separately-metered tenant spaces, and BTM solar systems are limited in size based on the load of the customer (*i.e.*, the building owner's metered load, which does not include tenants' meters). As the building owner's load typically only includes common spaces and outside lights in a separately-metered building, the building owner almost never has enough load to install a BTM system of sufficient size to

1. **A single capacity block for "community solar" will be dominated and quickly absorbed by groundmount community solar, which are larger, more profitable systems and therefore make up a much larger share of "community solar" than rooftop community solar.** Rooftop community solar development timelines are significantly faster than groundmount community solar systems, though, because rooftop systems do not have to apply for a CPCN, If the bill remains as written, though, commercial rooftop systems will likely struggle to get capacity reservations, extending development timelines and increasing the soft costs of the commercial rooftop market segment.

2. **The administratively-determined incentive (ADI) set for a single "community solar" block will likely be based on groundmount community solar costs, as the majority of the type of solar filling up the block, and therefore not be sufficient to incentivize commercial rooftop solar—and if it is based on rooftop solar costs, the ADI will over-incentivize groundmount community solar.** The average per-watt cost of groundmount solar is very different from commercial rooftop solar. Rooftop systems often require specialized equipment (e.g. cranes and ballasting), and, because they are smaller on average, they have less economy of scale than groundmount systems. They also typically require greater per-watt lease payments for site host customers to get agreement to install the system.

Commercial rooftop and groundmount markets are very different market segments that should not share a single capacity block and ADI. Commercial rooftop community solar shares much more in common with commercial rooftop BTM solar than with groundmount community solar. The development costs are nearly the same for a commercial rooftop system regardless of interconnection type, except that community solar, as a front-of-the-meter (FTM) interconnection, typically has somewhat higher utility permitting costs. The market distinction is most accurately based on customer/site type (homeowner vs. commercial building owner vs. landowner)—as this most often dictates system size and installation location (roof vs. ground), which are the biggest factors in determining the value and cost of a system.

We strongly supported the Brighter Tomorrow Act, which established a temporary increase in SREC incentives for rooftop systems, regardless of interconnection type. This Act has helped make many more projects possible for our commercial rooftop customers over the past year or two than would otherwise have been feasible. We were also early proponents of an administratively determined incentive program because of its potential to permanently address the fact that the SREC program is not differentiated enough to support non-residential rooftop solar without a program like the one established in the Brighter Tomorrow Act. We are concerned, however, that the way the Affordable Solar Act is currently drafted perpetuates and may exacerbate this problem rather than helping it.

This Affordable Solar Act has the potential to help all solar market segments grow while also lowering costs for ratepayers by right-sizing solar incentives based on different markets' actual needs. We urge you to consider the commercial rooftop market segment as you draft amendments, as it is currently missing from the bill.

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cover its roof or make financial sense. We find that roughly 80% of the systems installed on commercial rooftops are community solar systems as opposed to BTM systems, largely for this reason.

We recommend either:

1) Dividing the "community solar" market segment into "groundmount community solar" and "rooftop or parking canopy community solar;" or
2) Dividing the market segments up by customer type and/or system size—i.e. residential rooftop/parking canopies, commercial rooftop/parking canopies, and groundmount systems, eliminating the distinctions by interconnection type (BTM and community solar).

Thank you for considering this testimony.

Sincerely,

Nicole Rentz
Director of Market Development and Policy
New Columbia Solar
nrentz@newcolumbiasolar.com

Solar Landscape Written Testimony HB345.pdf
Uploaded by: David Simins
Position: UNF

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SOLARLANDSCAPE.COM

Delegate Marc A. Korman

Chair, House Environment and Transportation Committee

Lowe 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.

RECmint HB345 written testimony 20260206.pdf
Uploaded by: Ian Ayers
Position: UNF

RECmint

Written Testimony of Ian Ayers, President, RECmint
In Opposition to HB 345
Maryland House Environment and Transportation Committee
February 10, 2026

Chair, Vice Chair, and Members of the Committee:

Thank you for the opportunity to submit testimony on HB 345. My name is Ian Ayers, and I am the President of RECmint, a renewable energy certificate (REC) aggregator operating across state renewable portfolio standard (RPS) markets, including here in Maryland. When households or small businesses invest their own capital in rooftop solar systems, we help these customers seamlessly sell their RECs so they don't have to worry about that complex transaction. We manage this process for more than 1,500 Marylanders. Our role gives us a direct view of how the Renewable Portfolio Standard in Maryland is operating, and what policies could help to improve the market design.

We share the goal of this bill: increasing the pace of clean energy deployment in Maryland in a cost-effective manner. However, for the reasons outlined below, we respectfully oppose HB 345.

First, moving to an Administratively Determined Incentive (ADI) framework, like that offered in this bill, will stall the progress Maryland has experienced over the last year. Since the Brighter Tomorrow Act took effect on July 1, 2024, we have observed new renewable project activity and improved market participation. This legislation is working to support new solar development. Conditions today are meaningfully different than when this concept was first contemplated. Recent legislative action is working, and it deserves sufficient time to fully take effect before Maryland undertakes a wholesale redesign of its Renewable Portfolio Standard framework.

Second, transitioning to the framework contemplated under this legislation would result in a slow, administratively complex program**.** HB 345 would introduce a centralized procurement mechanism that would not meaningfully deliver new generation until 2028, while requiring the creation and ongoing operation of a new administrative structure. At a moment when momentum is returning to Maryland's solar market, layering a complex new procurement framework onto the existing RPS risks introducing additional delays, uncertainty, and administrative expense.

Third, this legislation will not address the core concern of affordability. Maryland's RPS has historically been one of the state's most effective clean energy policy tools. Open markets allow prices to adjust dynamically based on real supply and demand, helping ensure that REC prices are a true market signal. Transitioning to the ADI under this proposal could result in a process where ratepayers are locked into long-term, above-market prices that are determined by a regulator. This would produce the opposite result, leading to higher prices and reducing affordability.

We appreciate the intent behind HB 345 and the Committee's focus on accelerating clean energy development while preserving affordability. However, given the positive early results of recent reforms, we believe this legislation could stall that momentum and lead to higher costs.

Thank you for your consideration.

Respectfully submitted,

Ian Ayers
President, RECmint
ian@recmint.com

CSG_Maryland ASA Opposition Testimony_02.06.2026.p
Uploaded by: Michael Daley
Position: UNF

carbon SOLUTIONS GROUP

February 6th, 2026

To Chair Korman and Committee Members:

Thank you for the opportunity to file written testimony in opposition to H.B. 345.

My name is Michael Daley. I serve on behalf of Carbon Solutions Group ("CSG"). CSG develops technology, supports the deployment of distributed energy resources, and aggregates energy attribute certificates throughout the U.S. CSG has heavily invested in Maryland distributed solar. Thanks to the geothermal carve-out sponsored by Del. Charkoudian, CSG is also investing heavily in Maryland's housing sector where we are decreasing consumer energy costs by developing new-build communities outfitted with geothermal heating and cooling systems.

Without Maryland's Renewable Portfolio Standard (RPS), everyday citizens would be locked out of the energy economy and the grid would be less secure today.

But the energy economy remains forever in flux. Throughout the country, RPS Programs are now hitting an inflection point. As a market participant in PJM and MISO, CSG can attest to the fact that statehouses everywhere are reexamining past policy decisions and having tough conversations about how to structure tomorrow's markets in the face of an emergent technological revolution. For it is well agreed upon that commoditized artificial intelligence promises untold economic gains for certain corporations—but the question is at what cost? Unless new policies evolve new policy-based markets, working families will disproportionately bear the energy burden.

In this spirit, CSG appreciates the intent of H.B. 345. The reality of this bill, however, is that—while it may be a temporary solution to a political problem—it is not a material solution to the underlying challenge facing energy markets. The challenge is, fundamentally, to develop a new price signal for renewable power. H.B. 345 does the opposite. Rather than evolve Maryland's RPS price signal in response to a fast-moving affordability crisis, the bill would force Maryland to take several inadequate steps back with a cumbersome, bureaucratic model.

While there are particular design flaws in the bill, I think it is most important to zoom out on the broader picture. The systemic picture is the most critical element missing in H.B. 345.

For one, it must be stated that Maryland does not necessarily need another 2 GW of utility-scale midday solar that is not coupled with energy storage and that is not embedded within a holistic market. An administratively set price signal for midday solar has limited value in a world in which mounting large load demand is 24/7 365. Continuing to subsidize daytime utility-scale renewable generation in this *ad hoc* manner will only become a greater political liability.

Any new procurement framework ought to establish a strong price signal for overnight power in order to meet new 24/7 demand. The price signal for overnight power begins with the nature of the compliance obligation itself. If the compliance obligation, like H.B. 345's, is simply an aggregate MW value accounted for annually, no behavioral change will result in the marketplace. To tackle 24/7 demand, hourly energy accounting and hourly compliance must be codified within a single diversified renewable energy portfolio. Hourly energy accounting is already being embraced by major U.S. energy companies, technology/AI companies, and international standards bodies such as the Greenhouse Gas Protocol.

There is another conceptual error in H.B. 345 that is worth highlighting. This is encapsulated in the provision: *"The Commission shall balance the need for continued market development for each market segment while limiting the net residential ratepayer cost* [...]*"*

While politically inconvenient, it must be acknowledged that what is needed for meaningful "continued market development" may never balance with a 5% limitation on the net residential ratepayer cost. This is, at its core, the policy deadlock that so many legislatures are facing.

There is no free lunch but the solution is clearer than may first appear. If the Assembly feels it is reaching the ceiling on what it can ask ratepayers to finance—it would be sensible to establish a new RPS Program in which large loads are the obligated party. An RPS for large load customers could effectively codify and build upon existing energy procurement behaviors of leading technology companies and ensure that this power is delivered where and when it is needed for Maryland. This approach results in specified procurement following the directive of the legislature. That directive must necessarily send hourly price signals for deliverable renewable power. To emphasize, this approach is already underway in other markets, led by the technology companies themselves.

This is, of course, just one potential avenue to pursue. The Committee will no doubt be presented with a variety of potential solutions to today's crisis. While action must be taken to address today's energy challenges, just any action is insufficient. I respectfully urge you to patiently and methodically work towards a solution that may materially transform Maryland for the better.

Respectfully,

Michael Daley
SVP, Policy & Regulatory Affairs
Carbon Solutions Group

EMA Testimony .pdf
Uploaded by: Taylar Ramsey
Position: UNF

Maryland House Bill 345 – Affordable Solar Act

Position: Unfavorable

Chair, Vice Chair, and Members of the Committee:

Thank you for the opportunity to submit testimony in opposition to House Bill 345, the *Affordable Solar Act*. Founded in 1997, the **Environmental Markets Association** is a pro-environment, pro-business, pro-competitive markets industry trade association with a mission to promote open, competitive and tradable market-based solutions to solve environmental challenges while simultaneously supporting sustainable economic development. EMA does this through education, advocacy, and networking opportunities for its members and the public. (www.enviromarkets.org)

While we share the sponsor's goal of expanding access to affordable solar energy, HB345 would fundamentally shift Maryland away from a competitive, tradeable SREC market to an administratively determined incentive (ADI) model. Based on both Maryland's recent experience and lessons learned from other states—particularly New Jersey—we believe this shift would undermine solar deployment, introduce unnecessary ratepayer risk, and impose a significant administrative burden on state agencies.

1. Maryland Needs a Long-Term Solar Strategy That Encourages Higher Build Rates

Maryland's clean energy goals require **sustained and increasing solar deployment**, not short-term structural changes that introduce uncertainty into the market. If Maryland is to meet its climate and affordability goals, policy should focus on **long-term solutions**, including thoughtful integration of **energy storage**, rather than dismantling a market framework that is currently delivering results.

New Jersey's experience is instructive. Under its legacy market-based SREC program, New Jersey saw strong and consistent solar development driven by tradeable SRECs whose prices reflected real supply and demand. Prior to the program's closure, SRECs frequently traded at **well over $200 per MWh**, providing a strong economic signal that supported widespread deployment across project sizes.

When New Jersey transitioned away from that market-based system—first to transitional TRECs and ultimately to the **Successor Solar Incentive (SuSI) Program**, including an ADI structure—solar incentives became **fixed and administratively set**, with SREC-II values for many projects set at approximately **$85 per MWh for a fixed term**. While this approach increased predictability, it also **reduced the value signal that had previously driven robust development**, and overall build rates slowed relative to prior years.

Maryland cannot afford a similar outcome. In contrast to New Jersey's experience, Maryland's recent policy direction has shown positive momentum. The **Brighter Tomorrow Act** was a strong first step in modernizing the state's solar framework, and the **SREC multiplier is working as intended**. Build rates increased last year as developers responded to clearer, market-based price signals. HB345 would reverse that progress just as the market is beginning to respond.

Maryland should build on what is working—not replace it with an administratively complex model that has already shown limitations elsewhere.

2. HB345 Creates Unknown and Potentially Significant Ratepayer Impacts

In a year when **energy affordability is the top concern for Maryland households and businesses**, HB345 presents serious concerns due to its **unknown and potentially significant ratepayer impacts**.

An ADI model relies on regulators to set incentive levels in advance, rather than allowing prices to adjust dynamically through a competitive market. This creates a risk of **mispricing incentives**—either setting them too high, increasing ratepayer costs unnecessarily, or too low, suppressing development and undermining long-term affordability goals.

New Jersey's transition illustrates this risk. In moving from a market-based system to fixed incentive levels, the state necessarily shifted cost and performance risk from the market to regulators and ratepayers. Maryland should be cautious about adopting a similar structure without clear cost containment mechanisms and a demonstrated need for such a shift.

At a time when affordability is paramount, Maryland should not gamble on a program whose ultimate cost to ratepayers is uncertain.

3. The Administrative Burden of HB345 Is Significant and Premature

HB345 would also impose a **substantial administrative burden** on the Public Service Commission and related agencies.

Maryland has **only recently completed implementation of the Brighter Tomorrow Act**, a complex undertaking that required significant staff time, stakeholder engagement, and system updates. Requiring the PSC to design, implement, and administer an entirely new ADI framework so soon would place enormous strain on agency resources.

Experience from other states demonstrates that ADI programs require **ongoing administrative oversight**, frequent recalibration, and substantial staffing capacity. Implementing HB345 would almost certainly require **additional appropriations to hire new staff**, increasing costs for the state while diverting attention from effective administration of existing programs.

Before undertaking another major structural overhaul, Maryland should allow recent reforms to fully mature and be evaluated based on real-world performance.

Conclusion

Maryland has made meaningful progress toward a clean, affordable energy future. HB345 risks disrupting that progress by replacing a functioning, market-based system with an administratively determined model that has underperformed in other states, carries uncertain ratepayer impacts, and places significant new demands on state agencies.

For these reasons, we respectfully urge the Committee to issue an **unfavorable report on HB345** and instead continue refining and strengthening the solar policies that are already delivering results for Maryland.

Thank you for your consideration.

FirstEnergy UNFAV ENT - HB345.pdf
Uploaded by: Timothy Troxell
Position: UNF

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OPPOSE – House Bill 0345

HB0345 – Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
Environment and Transportation Committee
Tuesday, February 10, 2026

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 293,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Maryland, Ohio, Pennsylvania, New Jersey, New York, and West Virginia.

Unfavorable

Potomac Edison / FirstEnergy requests an Unfavorable report on HB-345 – *Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)*.

While we strongly support the state's clean-energy goals and continue to invest in the infrastructure needed to integrate renewable resources safely and reliably onto our system, HB-345 introduces a series of costly mandates, operational risks, and regulatory requirements that would ultimately harm customers and undermine the reliability and affordability of the electric grid.

Establishing aggressive new obligations requiring utilities to procure substantial quantities of Solar Renewable Energy Credits (SRECs and SREC-IIs), with annual procurement levels set and continually adjusted by the Public Service Commission (PSC) is concerning. Utilities that fall short of these targets must make mandatory compliance payments, straining utility resources and further increasing the cost of electricity.

The bill also mandates that utilities recover SREC and SREC-II costs through a non-bypassable surcharge applied to every customer bill. This mechanism, combined with escalating compliance costs, will increase electricity rates statewide and place additional financial pressure on households, seniors, low-income customers, and Maryland's business community.

HB-345 also creates a host of new administrative and regulatory requirements for electric utilities, including establishment and management of state-mandated escrow accounts; expanded compliance tracking, verification, and reporting; negotiation of community benefit agreements; and ongoing program adjustments tied to PSC-driven reviews. These new obligations will require additional staffing, system changes, and continuous regulatory engagement – all of which will increase costs to customers at a time when affordability is a top concern. This will also increase compliance risk and make long-term grid planning more uncertain and costly.

4,000 Megawatts of in-state solar by 2035 - paired with new portable solar incentives, new credit classes, and recurring PSC program resets - risks destabilizing Maryland's energy market. Utilities are likely to face cash-flow strain from purchasing credits in volatile markets; competitive displacement by subsidized distributed solar providers; difficulty forecasting system needs due to shifting statutory requirements; and higher long-term

costs that will pass through to ratepayers. All these conditions introduce uncertainty at a time when electric utilities must already navigate increasing electrification demands, grid modernization needs, and extreme-weather resilience challenges.

One of our greatest concerns with HB-345 is the operational and safety risks associated with the portable solar provisions. The bill requires utilities to accept growing quantities of ad hoc, customer-owned generation, without proper controls and standards. These systems could introduce serious risks, such as unintended back-feeding during outages, placing line workers and public safety in jeopardy. Frequency synchronization challenges on distribution equipment not designed for irregular intermittent generation could also threaten system stability. While indemnification language could address legal liability, it would not resolve the operational hazards or the infrastructure upgrades needed to accommodate widespread adoption of portable solar systems.

Although framed as an affordability measure, HB-345 includes provisions that effectively constrain large energy users from expanding in Maryland. Limiting procurement flexibility is likely to increase costs, which could lead these capital-intensive industries to invest elsewhere. Predictable, scalable, and affordable energy solutions make the state more competitive and more attractive for these job producing entities.

For these reasons, Potomac Edison / FirstEnergy respectfully requests an <u>Unfavorable</u> report on HB-345. This bill imposes costly mandates, expands regulatory burdens, introduces operational risks, and creates the possibility of market disruption that will ultimately be borne by Maryland's ratepayers. We remain committed to collaborating with the General Assembly, the PSC, and all stakeholders to advance renewable energy in a manner that protects customers, maintains grid safety, and supports a balanced and sustainable energy transition.

SB0341 & HB0345 - OPC Testimony .pdf
Uploaded by: David Lapp
Position: INFO

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BILL NO.:	Senate Bill 0341/House Bill 0345 – Public Utilities - Solar Energy Generating Systems and Solar Renewable Energy Credits (Affordable Solar Act)
COMMITTEE:	Education, Energy, and the Environment Environment and Transportation
HEARING DATE:	February 10, 2026 (ENT)
SPONSOR:	Senators Brooks, Kramer, and Lam Delegates Charkoudian et al.
POSITION:	Informational

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The Office of People's Counsel (OPC) respectfully offers the following informational comments on Senate Bill 0341/House Bill 0345, the Affordable Solar Act, which seeks to support the State's electric system and advance its clean energy goals by (1) encouraging adoption of portable solar technology; and (2) directing the Public Service Commission to issue regular solicitations for the development of new solar facilities that, in total, will increase solar generating capacity in the State by 4,000 megawatts (MW) by January 1, 2035.

More specifically, the Affordable Solar Act proposes to make the implementation of small, plug-in solar energy generating systems easier and more affordable by removing existing regulatory hurdles—for example, by eliminating the requirement to enter into an interconnection agreement with the local utility and authorizing self-installation. Because portable solar systems can be located in smaller spaces, like balconies, they can be easily moved. They are also generally far less expensive than rooftop arrays and have the potential to expand the benefits of solar to a broader group of customers—including renters and low- and moderate-income customers—at little to no cost to non-participating customers.

Separately, the Affordable Solar Act seeks to incentivize the development of 4,000 MW of new solar generating capacity in the State by establishing two programs through which the PSC would create a new class of solar renewable energy certificates (SRECs), referred to as SREC-IIs: (1) a utility-scale solar facilities incentive program, through which new solar facilities with a generating capacity greater than 5 MW would be eligible to compete in regular procurements run by the PSC; and (2) a distributed solar facilities incentive program, through which facilities with a generating capacity less than or equal to 5 MW would be eligible to apply for SREC-IIs allotted to particular market segments and awarded on a first-come, first-served basis.

The monetary value of SREC-IIs will be determined by the PSC—through the competitive solicitation process for utility-scale facilities and through an administratively determined process for distributed solar facilities. The legislation would require each electric company to purchase a portion of the available SREC-IIs—as well as a portion of the SRECs available from projects grandfathered into the existing SREC market—based on each company's portion of retail sales. Electric companies would then pass those costs on to their customers through a non-bypassable surcharge on customer bills.

The Affordable Solar Act also proposes a number of mechanisms designed to limit or offset potential costs to ratepayers, including:

- limiting the net residential ratepayer cost of the distributed solar program to not more than five percent of the average annual electric bill over the duration of the program;
- authorizing the PSC to set confidential high- and low-application thresholds and authorizing the PSC to set a cap on the incentive awarded under the utility scale solar program;
- requiring that alternative compliance payments (ACPs) made after October 1, 2026, be used to fund future procurements of SRECs and SREC-IIs; and
- requiring that 75 percent of utility franchise tax revenues attributed to large load customers be used to fund future procurements of SRECs and SREC-IIs.

OPC appreciates these efforts to minimize the potential impact on residential customer bills, and with them, the Affordable Solar Act has potential to decrease costs for Maryland ratepayers, in part, by supporting generation that is not dependent on volatile fuel costs. Ultimately, however, whether the new requirements increase or decrease costs for customers depends on a multitude of factors that we have been unable to analyze, including the pricing of SREC-IIs under each of the programs, whether and how forecasted load materializes, and whether sufficient ACP revenue is available to offset these costs. To the extent that the Affordable Solar Act would protect ACP revenue—which comes from utility customers and is paid into the Maryland Strategic Energy Investment Fund (SEIF) to be used to decrease energy demand, provide energy-related

benefits to low-income residential electric customers, and promote clean energy[1]—from being used for unrelated purposes, OPC supports redirecting and restricting use of those funds. However, we have not been able to assess how directing alternative compliance payments to ratepayers would impact other programs that help Maryland ratepayers, such as programs for low- and moderate-income households run by the Maryland Energy Administration.

OPC appreciates the opportunity to provide comments on HB 345.

[1] Md. Code Ann., St. Gov't Art. § 9-20B-05.

HB 345_MDCC_Affordable Solar Act_INFO.pdf
Uploaded by: Hannah Allen
Position: INFO

MARYLAND
Chamber of Commerce

House Bill 345

Date: February 10, 2026
Committee: House Environment & Transportation
Position: Information

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

The Chamber supports efforts to expand access to clean and renewable energy, including policies that encourage responsible growth of solar generation and broaden participation for Maryland residents and businesses. While House Bill 345 (HB 345) includes provisions addressing small-scale, plug-in solar systems, those provisions represent only a portion of the legislation. As drafted, HB 345 significantly restructures the Renewable Portfolio Standard and the Solar Renewable Energy Credit (SREC) program, expands compliance and payment obligations beyond electric suppliers to include all electric companies, and introduces new procurement and compliance requirements that would apply to municipal utilities and electric cooperatives. These changes are substantial and highly technical, and the bill leaves important questions regarding its practical implications.

HB 345 replaces market-based price signals with an administratively defined incentive structure that would allow the Public Service Commission to effectively set SREC prices. This represents a significant departure from the existing market-driven framework and removes competitive forces that traditionally help manage costs. In addition, the bill lifts existing Alternative Compliance Payments without clearly demonstrating how the replacement mechanisms would protect ratepayers. As drafted, it is not clear how these changes would translate into lower electricity costs or improved affordability for Maryland households and businesses, and there is uncertainty regarding how compliance costs would ultimately be reflected in customer bills.

We understand that New Jersey adopted similar policies. However, available data suggests that it did not accelerate solar deployment and, in some cases, coincided with reduced build rates. With respect to the plug-in solar provisions, HB 345 raises technical and safety questions related to building readiness and electrical standards, including how two-way power flow would be addressed in buildings that were not designed for it.

The Chamber believes further clarity regarding cost impacts, implementation, and technical standards would be beneficial to fully assess its potential effects on ratepayers and the business community.

We appreciate your consideration of our comments on **HB 345**.