

HB1476 - OPC Testimony.pdf

Uploaded by: David Lapp

Position: FAV

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— **OPC** —
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CHIEF OPERATING OFFICER

BILL NO.: House Bill 1476 – Public Service Commission - Net Energy Metering - Successor Program

COMMITTEE: Environment and Transportation

HEARING DATE: March 3, 2026

SPONSOR: The Speaker

POSITION: Favorable

The Office of People's Counsel (OPC) respectfully offers the following comments in support of House Bill 1476, Public Service Commission - Net Energy Metering - Successor Program. HB 1476 would direct the Maryland Public Service Commission (PSC) to develop and implement a successor program to Maryland's existing net energy metering program.

As set out in Public Utilities Article § 7-306, Maryland's existing net energy metering program allows utility customers to offset all or part of their electricity requirements using a renewable energy generating system, including rooftop solar panels. For billed energy, a participating net energy metering customer pays only for energy used, netted against any energy that the customer produces. The program also allows utilities to compensate participating net energy metering customers for any excess energy that the customer produces. Utilities must allow customers to enroll in the net energy metering program until the statewide rated generating capacity owned and operated by all participating customers reached 3,000 megawatts. HB 1476 delegates to the PSC the task of developing and implementing a successor program once the statewide capacity reaches 3,000 megawatts. The successor program must incentivize the development of distributed energy generation, minimize ratepayer costs, and balance relevant program costs against grid benefits.

OPC supports delegating these tasks to the PSC. By reducing individual customers' electricity demand, net energy metering has the potential to accrue benefits to Maryland's electric system. But the rate treatment that net metering customers receive under current law allows them to contribute less to fixed system costs than non-participating ratepayers. HB 1476 would require the PSC to address this potential cross-subsidy from non-participating customers to net metering customers. As the entity that administers the existing net energy metering program and works with relevant stakeholders, the PSC is best situated to explore all options to develop a successor program that ensures (1) participating net energy metering customers are fairly compensated for the excess energy they export to the grid, (2) those customers fairly contribute to the costs of the electric distribution system, and (3) mitigates the rate impacts to non-participating customers. In concert with relevant stakeholders, the PSC could develop a program that also recognizes solar developers' expectations and risks in pursuing community solar projects in Maryland.

OPC shared friendly amendments with the sponsor that provides clarifying language and will work with the sponsor to incorporate such amendments.

Recommendation: OPC requests a favorable Committee report on HB 1476.

SB 778_MDCC_Clinical Research Pharmacies and Clini

Uploaded by: Hannah Allen

Position: FAV



Senate Bill 778

Position: Favorable
Committee: Finance
Date: March 3, 2026

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.

Senate Bill 778 (SB 778) clarifies the legal and regulatory framework governing clinical research pharmacies in Maryland by establishing a specific permit category for these entities and aligning statutory language with the operational realities of modern clinical trials. The bill recognizes the unique structure and purpose of clinical research pharmacies while preserving appropriate oversight and compliance standards.

Maryland is home to a nationally recognized life sciences ecosystem, including leading academic medical centers, biotechnology companies, and research institutions. As clinical trials become increasingly complex and specialized, the infrastructure that supports them, including the safe handling, preparation, and dispensing of investigational products, must be clearly defined in statute. SB 778 provides that clarity.

By authorizing the Maryland Board of Pharmacy to issue permits tailored to clinical research pharmacies, the bill ensures that these entities operate under appropriate regulatory supervision while acknowledging that their functions differ from traditional retail or hospital pharmacies. Clinical research pharmacies are designed to support investigational studies conducted in accordance with federal law, Institutional Review Board approval, and Good Clinical Practice standards. Clarifying their role in Maryland law removes ambiguity without diminishing professional accountability or patient protections.

Importantly, SB 778 does not weaken medical oversight or alter the standards governing the practice of medicine. Rather, it recognizes that clinical research activities, when conducted pursuant to approved protocols, require a regulatory structure that reflects their distinct purpose. Providing this clarity will reduce unnecessary administrative barriers, encourage investment in Maryland-based trials, and make it easier for sponsors and research institutions to conduct studies in the State.

Strengthening Maryland's clinical trial infrastructure has meaningful economic and public health benefits. Clinical research supports high-skilled jobs, attracts private investment, and gives Maryland patients earlier access to innovative therapies. In a competitive national environment for research dollars and trial placement, a clear and modern statutory framework signals that Maryland is committed to being a leader in medical innovation.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report on SB 778**.

HB1476_FAV_EconAction.pdf

Uploaded by: Jennifer Bevan-Dangel

Position: FAV



HB1476: Public Service Commission - Net Energy Metering - Successor Program

Position: Favorable

March 3, 2026

The Honorable Marc Korman, Chair
Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401
Cc: Members of the Committee

Chair Korman and members of the Environment and Transportation Committee,

Economic Action Maryland Fund urges a favorable report on HB1476, which would provide cost-savings to ratepayers by creating a successor net metering program designed to center ratepayer costs and benefits.

As the members of this committee are painfully aware, energy rates have risen dramatically in recent years due to a variety of factors. Thousands of Marylanders each year face shutoff notices due to nonpayment, while many others are forced to juggle multi-hundred-dollar utility bills alongside the ever-increasing costs of rent, groceries, and other necessities. In fact, when Economic Action Maryland Fund surveyed our members and other stakeholders this winter, 63% stated utility bills were their primary concern.

It is widely recognized that net metering provides benefits to not just the individual, but ratepayers as a whole.¹ A significant driver of energy prices in Maryland is the skyrocketing cost of energy supply. Net metering encourages individual investment in solar, and ensures that new energy production is accounted for in the grid. While this results in long-term cost savings it is a critical piece of the solution to address the acceleration of energy costs.

In addition, community solar projects - which can provide direct savings to low- to moderate-income subscribers - rely on net metering. A net metering successor program is critical to ensure those vulnerable Marylanders continue to receive benefits.

We would support additional language to specifically look at the costs and benefits that net metered energy generation could provide to LMI ratepayers and urge a favorable report on HB1476.

Sincerely,
Jennifer Bevan-Dangel, Deputy Director

¹ <https://www.brookings.edu/articles/rooftop-solar-net-metering-is-a-net-benefit/>

Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

26.2.26 HB 1476 Maryland LCV FAV - Net Metering S

Uploaded by: Kristen Harbeson

Position: FAV



**MARYLAND
LEAGUE OF
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March 3, 2026

Support: HB1476: Public Service Commission - Net Energy Metering - Successor Program

Mr. Chair and Members of the Committee:

Maryland LCV Supports HB 1476: Public Service Commission - Net Energy Metering - Successor Program, and we thank the Speaker for leadership on this issue.

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**. HB 1476 supports these goals by taking proactive steps to support net metering and the state solar program beyond the existing net metering cap.

In November 2025, the Maryland Public Service Commission (PSC) issued a report indicating that Maryland is approaching the statutory net metering cap of 3000 MW state wide - for both community solar and traditional net metering. The report anticipated that the cap would be reached within three or four years, and recommended that the General Assembly explore expanding the net metering cap, or alternative replacement policies. The General Assembly will begin this exploration through the passage of HB 1476.

The bill asks the Public Service Commission to develop and implement a successor program that responds to the needs of Maryland. It requires that the program:

- 1) Incentivize development of distributed generation
- 2) Minimize ratepayer costs in the short and long terms
- 3) Balance the needs of the grid against the benefits to individual customer generators with an eye towards ratepayer costs and benefits and energy equity.

We encourage the Public Service Commission to incorporate processes for robust public engagement and input, from a diverse cross-section of stakeholders, in crafting the successor program.

Maryland LCV urges a favorable report.

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HB 1476 - Favwamend - PSC.pdf

Uploaded by: Barve Barve

Position: FWA

COMMISSIONERS

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STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

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

RE: HB 1476 – Favorable with Amendments - Public Service Commission - Net Energy Metering - Successor Program

Dear Chair Korman and Committee Members:

The Public Service Commission (the “Commission”) appreciates the opportunity to provide this testimony for HB 1476. We have worked with the Speaker and her staff, and representatives of the solar industry, on amendments to clarify some provisions of the bill and to add language about how to transition from the existing net metering program to a new program.

HB 1476 represents a significant turning point in Maryland's energy policy. We are proud to report that Maryland has successfully deployed over 1,500 MW of net-metered solar, over half of what is allowed under the statutory cap of 3,000 MW. However, we know there is a large pipeline of pending solar projects that will exhaust the cap within the next two to three years. This bill addresses the approaching critical point by creating a transition from our existing, traditional Net Energy Metering program to a new successor program.

Under the current Net Energy Metering program, customers who participate via projects like rooftop solar, community solar, and aggregated net metering are compensated at the full retail rate of electricity for electricity exported to the grid.¹ That is, eligible customer-generators earn the value of energy, transmission, and distribution costs. Going forward, a new compensation value method is needed to ensure the financial viability of projects while protecting other ratepayers from additional costs. As Maryland approaches its 3,000 MW Net Energy Metering cap, this is the right time to establish the new valuation.

¹ Please note that the current Net Energy Metering program allows most eligible customer-generators to “bank” net metering credits for up to one year, after which time any remaining credits are compensated at the rate of generation or the commodity, averaged over the previous year.

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The Commission stands ready to work with stakeholders to build the new program. We are confident we can establish the programmatic framework by the end of the year and report to you on our progress. And we are confident we can implement the new program by July 1, 2027. We will engage in a transparent public process with robust stakeholder input to establish as seamless a transition as possible, with a fair value of compensation for customers who participate in distributed energy projects going forward and a method to ensure as much predictability as possible for planned projects during the transition. We continue to engage with the bill sponsor and stakeholder regarding potential amendments. These amendments will give the Commission the necessary direction to implement the bill and the successor program effectively and efficiently.

The Public Service Commission appreciates the opportunity to provide testimony for your consideration for HB 1476. We request a favorable report with support for the amendments offered by the Speaker of the House. Please contact Niki Wiggins, Director of Legislative Affairs, at irene.wiggins3@maryland.gov if you have any questions related to this testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kumar", with a stylized flourish underneath.

Kumar P. Barve
Chair, Maryland Public Service Commission

HB1476_PenaMelnyk_FWA.pdf

Uploaded by: David Murray

Position: FWA

March 3, 2025

Honorable Marc Korman, Chair
House Energy & Transportation Committee
House Office Building
Annapolis, Maryland 21401

HB 1476 – FAVORABLE WITH AMENDMENT

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

TurningPoint Energy ("TPE") is a solar and battery storage development and investment company, with over 1 gigawatt of community solar developed across the United States and 21 megawatts in Maryland alone. We were proud to participate in Maryland's community solar pilot program since its inception in 2015 and continue to invest heavily in the state's clean energy future.

TPE applauds the Speaker for emphasizing the value of distributed energy to Maryland's electricity grid. By setting a new target of 6,000 MW, the legislation calls for innovative structures to rapidly deploy solar – and other distributed energy resources – in Maryland.

Setting the Stage for Future Projects

Speaker Peña Melnyk outlines a process by which the Public Service Commission will closely review the value of distributed energy resources on Maryland's grid, taking into account the importance of additional in-state clean energy resources, grid resiliency benefits, and any costs or benefits to non-participating customers. Such studies have taken place in other states to inform future rate design, and TPE supports a robust process lead by the Commission. The annual "Net Energy Metering in the State of Maryland" report released by the Commission on November 20th, 2025 - which recommended the General Assembly begin this process - does not assess the benefits distributed energy provides to the grid or ratepayers. Such a process is imperative to inform the future of distributed energy development in Maryland.

Recommended Amendment: Maintain Net Metering for Projects in Development by Mirroring Federal “Commence Construction” Deadlines

A community solar project takes three to six years to develop. Getting from the first kitchen table conversation with a prospective landowner to delivering the first electrons to neighbors requires robust geotechnical and environmental work, coordination with state and local agencies, and years of technical studies and analysis by the distribution utility. For example, TPE’s very first projects we started building under Maryland’s permanent community solar program – which passed in 2023 – will not complete construction until 2027 or 2028.

State energy policy is what governs how community solar is developed. Thus our project pipeline is shaped by the creation of the permanent community solar program in 2023, and the 3,000-megawatt net energy metering cap established by the General Assembly in 2021. This legislation created community solar tariffs, and tariffs inform what type of lease is signed with a prospective host landowner, or whether or not a project can financially upgrade utility infrastructure and connect to the grid. Should HB 1476 be enacted as-written, TPE would not be able to continue developing projects due to the level of uncertainty on the successor tariff.

We appreciate the Speaker and her staff’s receptivity to ensure that the process outlined in the current draft does not result in period of uncertainty for solar development, and respectfully propose amendment language that balances the goals of clean energy deployment and the creation of a successor program to the existing net energy metering cap.

2) THE COMMISSION IMPLEMENTS A SUCCESSOR PROGRAM UNDER § 7-306.4 OF THIS SUBTITLE.

(1) A facility that satisfies one of the following on or before the date the Commission implements a successor program under § 7-306.4 of this subtitle shall count towards the statewide cap of 3,000 megawatts under subsection (d)(1) of this section and remain eligible for net energy metering under this section after the start of the successor program until the facility is decommissioned:

- 1. (i) the facility is operational;**

2. (ii) if the facility is behind the meter and is not engaging in meter aggregation under § 7-306.3 of this subtitle, has submitted an interconnection application to the electric company; or

(III) the facility has begun construction on or before July 4, 2026, as defined by the federal One Big Beautiful Bill Act (H.R.1) and Internal Revenue Service Notice 2025-42 and Internal Revenue Service Notice 2022-61.by either:

1. the Physical Work Test, by beginning physical work of a significant nature on-site or off-site; or

2. for facilities with a maximum net output of 1.5 megawatts (AC) or less, the Five Percent Safe Harbor Test.

Aligning federal safe harbor guidance with net energy metering balances legislative goals by ensuring that only projects that have already made significant investments to achieve operation are eligible to receive full retail net metering. Furthermore, it ensures that the successor tariff to be established by the Commission does need to take into account any federal incentives. Rather, the Commission can safely assume that no project using the successor tariff is also eligible for federal incentives, and design the tariff accordingly.

Thank you for your consideration. I look forward to working with you and Members of the Committee on this and other energy legislation.

Thank you,

/s/

David Murray

dmurray[at]tpoint-e.com

HB1476 Solar Landscape Written Testimony.pdf

Uploaded by: David Simins

Position: FWA

Dear Chair Korman,

Solar Landscape respectfully urges careful consideration of HB 1476 and asks for a favorable report with amendments.

As drafted, the bill would take effect on an emergency basis and direct the Public Service Commission to initiate a proceeding to evaluate changes to Maryland's net energy metering framework. The bill would allow for this transition process to occur prior to the State reaching its 3 GW net metering cap, creating significant near-term uncertainty that could disrupt commercial and industrial rooftop solar projects already moving through the development pipeline.

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.

Protecting Investment Certainty Under the 3 GW Framework

HB 1476 would take effect immediately and require the Commission to open a proceeding to develop a new compensation framework in less than one year. While we respect the bill's intent, altering compensation before the 3 GW cap is fulfilled introduces financing uncertainty for projects currently in the pipeline and signals broader market instability in Maryland that would slow future capital deployment.

In the 2021 legislative session, the General Assembly enacted House Bill 569, which increased the statewide net metering cap from 1,500 megawatts to 3,000 megawatts. That

¹ Solar Power World, 2025

action was a clear policy determination to extend the life of the existing net metering structure and allow continued market growth under defined rules. Developers and investors have relied on that legislative commitment when deploying capital in Maryland.

Distributed solar projects are financed based on statutory certainty. When the General Assembly adopts a compensation structure, developers execute leases, secure site control, incur engineering and interconnection costs, and commit capital in reliance on that framework. If compensation is reopened under an accelerated proceeding, even without immediate statutory change, it introduces uncertainty that can cause capital providers to pause or re-evaluate investments until the regulatory outcome is clear.

We have seen this dynamic play out in other states. In Maine, legislation enacted in 2023 (LD 1347) sunsetted the state's net energy billing program including for both energized and developing projects. Similarly, during the 2025 legislative session, Minnesota advanced legislation that would have ended its long-standing community solar program immediately. Although the proposal did not pass, even the early-stage legislative signal that a mature program could be abruptly ended created uncertainty beyond Minnesota and raised broader concerns for financing parties about policy durability in mature markets.

Even though Solar Landscape does not operate in Maine, financing partners routinely reference Maine and Minnesota as cautionary examples when evaluating market risk. When we raise capital, we spend significant time explaining why the states we operate in, including Maryland, are different. Maryland's stable and predictable legislative regime has been essential to maintaining investor confidence in the state.

If Maryland signals that compensation may be altered before the 3 GW cap is reached, financing partners will reassess how they price and allocate capital in the market. This reassessment will translate into delayed commitments, more conservative underwriting and slowed project development at a time when Maryland urgently needs generation.

Maryland has become a model distributed solar market because of its stability and legislative follow-through. Allowing the 3 GW framework to operate as enacted preserves that credibility and protects projects already under development that have relied on it for financing. We respectfully urge the Committee to ensure that any compensation changes occur only after the 3 GW cap is reached. We look forward to collaborating with policymakers to support an orderly transition that protects market confidence while advancing the state's clean energy goals.

ECA testimony on HB1476 Net Metering.pdf

Uploaded by: Frances Stewart

Position: FWA



HB1476 – FAVORABLE WITH AMENDMENTS

Frances Stewart, MD

Elders Climate Action Maryland

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301-718-0446

HB1476 – Public Service Commission – Net Energy Metering – Successor
Program

Meeting of the Environment and Transportation Committee

March 3, 2026

Dear Chair Korman, Vice Chair Guyton, and Members of the Committee, on behalf of Elders Climate Action Maryland, I urge a favorable report on HB1476.

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.

Net metering has been key to Maryland's clean energy transition. Now that we are approaching the state-mandated cap of 3 GW, we need an orderly transition to a new net metering approach that will continue to make clean energy more affordable for Maryland families and support the growth of clean energy for years to come.

HB1476 doubles the cap on net metered systems in Maryland from 3 GW to 6 GW. It also instructs the Maryland Public Service Commission (PSC) to develop

and implement a successor program that incentivizes clean energy while focusing on affordability for ratepayers.

We know that the General Assembly is dealing with multiple energy bills this session. We believe that HB1476 can be improved by incorporating language from HB1195, the SUNRISE Act.

We recommend amending HB1476 to:

- Recognize the large number of projects that are currently in design, development, or financial closing. These projects may depend on the current net metering incentive for financial viability, and should be allowed to continue towards construction and interconnection to the grid. This would also eliminate a last-minute surge of speculative projects, steering them to the new system.
- Have the PSC lead a comprehensive process that fairly values distributed generation. It brings numerous benefits to system owners and ratepayers across the state, as well as supporting Maryland in meeting our climate goals under the Climate Solutions Now Act.

Passing this amended version of HB1476 would help make energy in Maryland cleaner and more affordable and boost our clean energy economy. For all of these reasons, we urge a favorable with amendments report on HB1476.

Thank you.

HB1476 - Favorable with Amendment Written Testimon

Uploaded by: Hans Riemer

Position: FWA

February 27, 2026

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

Written Testimony

HB 1476: Public Service Commission – Net Energy Metering – Successor Program

Position: Favorable with Amendments

Chair Korman, Vice Chair Guyton, and members of the Environment & Transportation Committee, thank you for the opportunity to testify “favorable with amendments” on HB 1476, Public Service Commission – Net Energy Metering – Successor Program.

My name is Hans Riemer and, as my friends and colleagues behind the dais know, I am a former member of the Montgomery County Council. I am here today in my capacity as Senior External Affairs Manager for Trajectory Energy Partners.

Trajectory Energy Partners develops community-scale solar projects in the 1–5 megawatt range — the very distributed generation projects contemplated under Maryland’s Renewable Energy Certainty Act (RECA). We are actively advancing projects in multiple Maryland counties designed to serve local subscribers and come online quickly to meet growing electricity demand. These projects are the same distributed generation facilities currently moving through local interconnection and permitting processes across Maryland under RECA.

Trajectory appreciates Speaker Peña-Melnyk’s leadership in tackling energy affordability issues this legislative session and recognizing the role that distributed solar can play in putting downward pressure on energy costs.

Maryland is facing rapid load growth driven by electrification and large new customers across the PJM region, while new transmission and utility-scale generation face multi-year development timelines. Distributed solar projects interconnected at the distribution system level can be deployed in 18–36 months and begin reducing peak daytime demand far sooner than central-station resources.

The new state goal established in this legislation of supporting an additional 3 GW of solar capacity is an important step forward. Distributed solar represents one of the fastest new in-state generation resources Maryland can bring online to meet that demand.

As we proceed with the creation of a successor Net Energy Metering program, we respectfully request that HB 1476 include transition language to ensure that projects which have incurred significant development costs under the current Net Energy Metering framework — including

executing a lease or purchasing property, beginning the interconnection process, or acquiring required state or local permits — remain eligible to participate under the existing program.

A reasonably timed and transparent transition period to a successor program is critical to ensuring that this in-development capacity continues to benefit Maryland ratepayers.

These projects are financed with private capital and are compensated only for the energy they produce — allowing Maryland to add new in-state generation capacity without large upfront ratepayer-backed investments. Community solar projects also help reduce the need for costly peak-period generation by producing energy during peak daytime demand periods.

With amendments that provide a clear and predictable transition for projects already in development, HB 1476 can maintain project continuity, protect prior private investment, and ensure that Maryland continues to bring new in-state generation online quickly and cost-effectively.

Thank you for your consideration, and I look forward to working with the Committee to support a long-term vision for distributed solar in Maryland.

Sincerely,
Hans Riemer
Trajectory Energy Partners

HB1476 - Favorable with amendments.pdf

Uploaded by: HoCo Climate Action Organization

Position: FWA



HoCoClimateAction.org
Howard County, Maryland

Testimony on: HB1476 – Public Service Commission - Net Energy Metering - Successor Program

Committee: Environment & Transportation

Organization: Maryland Legislative Coalition Climate Justice Wing

Submitting: Monica Oconnor

Position: Favorable with Amendments

Hearing Date: March 3, 2026

Dear Chair, Vice Chair 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 with amendments** on **HB1476 – Public Service Commission - Net Energy Metering - Successor Program**

Net metering of renewable energy systems in Maryland, and across the U.S., has been one of the bulwarks in creating a clean energy powered economy. This approach has brought us to a place where Marylanders can enjoy the benefits of this low-cost power solution, with more affordable energy bills for decades to come, and ancillary benefits such as increased reliability, delayed need for expensive transmission upgrades, and rapid deployment of in-state electricity generation. But as we approach the state-mandated cap of 3GW, we will need an orderly transition to a new net metering approach, one that will continue to make energy more affordable for Maryland families, and will continue the growth of clean energy into the future.

HB1476 does this by doubling the cap of net metered systems in Maryland from 3GW to 6GW. It also instructs the Maryland Public Service Commission (PSC) to develop and implement a successor program that will continue to incentivize clean energy development, compensate generators for some of the benefits that their energy creates, while squarely focusing on affordability for the ratepayer.

We respectfully request that this bill be amended to reflect the complex transition that needs to take place, in order for project development to continue without needless delays. The language in another bill, HB1195 - SUNRISE Act - appears to carefully capture the needs for this transition.

We recommend amending HB1476 to:

- Recognize the large amount of projects that are currently in design, development or financial closing. These projects may be depending on the current net metering incentive for financial viability, and should be allowed to continue towards construction and interconnection to the grid. This smart amendment language would also eliminate a last minute surge of speculative projects, steering them to the new system.
- Have the PSC lead a comprehensive process to fairly value the distributed generation, to

account for the numerous benefits that it brings about for both the system owner and ratepayers across the state, as well as how it supports our state in meeting our climate goals under the Climate Solutions Now Act. By passing HB1476 with the aforementioned amendments, we can ensure that the clean energy economy will continue to power Maryland for generations to come, long term job creation will benefit Maryland families, and state residents will be protected from rate increases and enjoy higher energy affordability for their homes and businesses.

For these reasons we request a FAVORABLE WITH AMENDMENTS report on HB1476.

Howard County Climate Action
Submitted by Monica O'Connor, Steering and Advocacy Committee
www.HoCoClimateAction.org
HoCoClimateAction@gmail.com

HB1476_Nexamp_Springer_FWA.pdf

Uploaded by: Jake Springer

Position: FWA



**Testimony of
Jake Springer
Nexamp**

**Submitted to the
MARYLAND GENERAL ASSEMBLY
House Environment and Transportation Committee
HB 1476 – Public Service Commission – Net Energy Metering – Successor Program
February 27, 2026**

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

On behalf of Nexamp, one of the nation’s leading distributed solar and energy storage providers, thank you for the opportunity to comment on HB 1476. We support the bill’s direction and respectfully request a favorable report with amendments.

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

Clarity and continuity for existing and pipeline projects

We support the directive in HB 1476 for the Public Service Commission (PSC) to develop and implement a successor program to net energy metering. However, to avoid materially damaging existing assets under the current net metering framework, the bill should more clearly address how current and in-development projects are treated as the State transitions to that successor program. We recommend amendments that:

- Grandfather existing NEM projects and advanced-stage pipeline projects (e.g., those with signed interconnection agreements or comparable milestones) under clearly defined terms;
- Clarify how these projects will be counted toward the statewide cap and any successor-program limits; and

- Establish a transparent, stable transition schedule that avoids gaps or abrupt changes.

This is particularly important in light of the closing window for current federal Investment Tax Credit (ITC) structures. Investors and lenders need clear, durable rules to commit capital. Without explicit continuity and grandfathering language, many viable projects risk delay or cancellation, and Maryland risks leaving federal dollars on the table.

Strengthening statutory guidance for the PSC's successor framework

HB 1476 appropriately directs the PSC to convene a proceeding on a successor compensation framework. From Nexamp's perspective, the more clearly the General Assembly defines the objectives and factors the PSC must consider, the more likely the resulting tariff will support sustained private investment and deliver broad customer benefits. We recommend amendments that more explicitly require the PSC to:

- Align compensation with the value these resources provide to the grid and to customers, including avoided energy and capacity costs, reduced line losses, and contributions to reliability and resilience;
- Provide long-term rate and program stability sufficient to support project financing and customer savings;
- Consider administrative simplicity and customer clarity, so that the successor framework is understandable and accessible to households and businesses.

Clear statutory guidance on these points will help ensure the PSC's successor program is not only technically sound, but also durable, equitable, and investable. Nexamp appreciates Speaker Peña-Melnyk's leadership in moving Maryland toward a next-generation, value-aligned successor to net metering.

With amendments to clarify the transition for existing and late-stage development projects, and to provide strengthened direction to the PSC, HB 1476 can provide the certainty needed to keep projects moving, fully leverage remaining ITC opportunities, and support a thoughtful, durable evolution of distributed generation policy. For these reasons, Nexamp urges a favorable report on HB 1476 with amendments. Thank you for your consideration.

Jake Springer
Policy Director, East Coast
Nexamp

Summit Ridge Energy Testimony HB 1476.pdf

Uploaded by: James Fenley

Position: FWA



Written Testimony of Summit Ridge Energy
House Bill 1476: Net Energy Metering - Successor Program
House Environment and Transportation Committee
March 3, 2026

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

Summit Ridge Energy respectfully submits the following written testimony in support of House Bill 1476.

Summit Ridge Energy is a long-term owner and operator of distributed solar assets across Maryland. Today, we own and operate 29 solar facilities across the State totaling 56.8 megawatts of clean energy generation. Our portfolio spans rooftop systems on commercial and industrial buildings to ground-mount facilities across Maryland.

Among those projects is The Bomber Project in Hampstead, Carroll County, the nation's largest rooftop community solar project. The 9.2 megawatt installation sits across 23 acres of commercial rooftop and delivers monthly energy savings to approximately 1,300 Maryland households and small businesses, nearly one-third of whom are low-to-moderate income customers. It is a demonstration of what this program can do for working families and underserved communities when the right policy framework is in place.

When we invest in a Maryland solar project, we plan to operate it for 25 to 35 years. That perspective shapes everything we believe about good energy policy.

With this in mind, Summit Ridge Energy thanks Speaker Peña-Melnyk for introducing HB 1476 and for taking responsibility for the long-term health of Maryland's distributed generation market. Ensuring that local solar continues to deliver affordable, accessible clean energy to Maryland families, including those in overburdened and underserved communities, requires exactly this kind of proactive stewardship. We are grateful the Speaker has taken it on.

In this process, we urge the Commission to conduct a thorough and complete review of the full economics of distributed generation before designing any successor program. Maryland's solar market runs on multiple revenue streams that must be considered together: the NEM bill credit, Solar Renewable Energy Credits, and the federal investment tax credit. Each is currently in flux.

Federal law has materially curtailed the ITC, with new construction deadlines already reshaping what projects are financeable. SREC values are under active consideration here in Annapolis. A successor



program that optimizes for any one of these streams in isolation risks undermining the others and collapsing the very market it is meant to sustain. That would mean higher energy costs for the Maryland families and overburdened communities counting on distributed solar to provide relief.

Summit Ridge Energy is committed to this market for the long term. As the PSC's proceeding takes shape, we look forward to working with stakeholders to demonstrate the full value distributed generation delivers to Maryland families, businesses, and communities, including the measurable bill savings that make the case for keeping this market strong.

We respectfully request a favorable report.

Respectfully submitted,

James Fenley
Director, Government Affairs
Summit Ridge Energy
1000 Wilson Blvd #2400, Arlington, VA 22209
jfenley@srenergy.com

HB1476.pdf

Uploaded by: Joseline Peña-Melnyk

Position: FWA

JOSELINE A. PEÑA-MELNYK
Legislative District 21
Prince George's and
Anne Arundel Counties

SPEAKER OF THE HOUSE



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District Office
P. O. Box 1251
College Park, Maryland 20741-1251

The Maryland House of Delegates
ANNAPOLIS, MARYLAND 21401

Dear Chair Korman and Members of the House Environment and Transportation Committee:

I submit this testimony in support of **House Bill 1476 – Public Service Commission – Net Energy Metering – Successor Program**. This bill builds on the good work Maryland has done to incentivize distributed generation while ensuring that the costs of building such generation do not outweigh the benefits they provide.

There are many advantages to having more distributed generation on the grid including: reduced environmental impacts, lower electricity costs, enhanced grid reliability, and reduced need for more transmission-level buildout. Understanding how valuable distributed generation is to the grid, this legislature directed the Public Service Commission (PSC) to establish a net metering program, and subsequent community solar programs.

Net metering is a billing system for distributed renewable energy systems (like solar panels) that credits customers for excess electricity they send back to the utility grid, effectively using the grid as a battery. Under the current net metering program, there is an established statutory cap of 3,000 megawatts (MW). As of June 30, 2025 the PSC reported that the State is at 51.23% of the eligible cap with upwards of 2,900 MW of pending additional projects that may take advantage of the program. This would push us far past the 3,000 MW cap.

So why isn't the issue as simple as raising the statutory cap? All costs incurred by utilities are passed on to ratepayers. Under the existing net metering system, eligible customer-generators are paid the full retail rate of electricity for the energy they provide back to the grid. In most instances, this is more than what a utility would pay to a power plant providing energy on the wholesale markets. As more distribution-level generation is built under these programs, there will be a bigger impact to ratepayers. The issue is further exacerbated in rural areas of our State. We have a responsibility to protect our ratepayers and ensure we take a balanced approach to incentivizing distributed generation.

My bill directs the PSC to conduct a proceeding to develop and implement a Net Energy Metering Successor Program and raises the State cap from 3,000 MW to 6,000 MW upon implementation of said program. Distributed generation is a valuable resource that protects our ratepayers from more costly transmission-level investments. Net metering should reward these benefits while making sure the benefit is equitable across all ratepayers.

I urge the Committee to support this legislation to ensure Maryland's continued commitment to distributed generation is done in a way that is affordable and sustainable for all consumers.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseline A. Pena-Melnyk". The signature is fluid and cursive, with a large initial "J" and "P".

Delegate Joseline A. Pena-Melnyk

Altus Power Testimony - HB 1476 final.pdf

Uploaded by: Justin Biltz

Position: FWA

March 3, 2026

Environment and Transportation Committee
Maryland General Assembly
250 Taylor House Office Building
Annapolis, Maryland 21401

Re: Altus Power Testimony on HB 1476 – Relating to Net Energy Metering & Successor Program

Position: Favorable with Amendments

Dear Members of the Environment and Transportation Committee,

Please accept these comments on behalf of Altus Power regarding HB 1476, which addresses Maryland's Net Energy Metering (NEM) program.

Altus Power is a long-term owner and operator of commercial-scale solar projects in Maryland as well as 29 other states across the country and Washington, D.C. We are proud to serve customers in Maryland with locally generated solar power, where we have 16 operating projects totaling more than 30 megawatts, which generate annual savings for Maryland customers and contribute property tax revenue to local communities. In addition to our operating solar assets, we have eight additional projects in active construction and a pipeline of other projects at various stages of development that we are seeking to bring online in the near future. This level of investment demonstrates our commitment to Maryland's energy future..

Altus Power understands that Maryland policymakers are undertaking a review of energy affordability, including the current NEM program and a potential successor NEM program. Ensuring affordable, reliable energy for households and businesses is a core priority for Altus as well, and one we agree merits thoughtful attention from the legislature. However, net metered solar systems are not what is driving up energy costs in Maryland. The primary drivers of rising electricity bills, which include utility infrastructure costs, capacity market prices, and natural gas commodity exposure, are well documented and deserve the legislature's attention. We were encouraged to see that HB 1476 increases the net metering program from 3 GW to 6 GW, which recognizes that distributed solar is an essential tool to combat increased electricity costs.

That said, Altus Power offers two critical amendments that must be addressed to protect existing investments in the state and provide the regulatory stability necessary to attract new generation resources. We desire to be a long-term partner and help develop forward-looking solutions that protect existing assets and also recognize evolving market dynamics. HB 1476, as introduced, directs the Public Service Commission (PSC) to conduct a proceeding to explore the development and implementation of a successor program to the current NEM program. However, HB 1476 does not distinguish between how operating projects, mature development projects, or other future projects will be treated under this program. These details must be addressed in the bill.

- 1. HB 1476 must include grandfathering provisions for operating projects under the current 3 GW NEM framework.**

Per the PSC NEM report issued to the General Assembly in November 2025, the current NEM program has attracted approximately 1.5 GW of operational net metered assets under the 3 GW NEM cap. The NEM report also discusses that there is additional NEM capacity at various stages of development which could cause the 3 GW cap to be exceeded. While this does raise the question about the framework that will apply to future net metered projects beyond the 3 GW cap, it is essential to recognize the importance of the investment framework that Maryland put forth to attract these resources to the state to begin with.

The 1.5 GW of operating net metered projects were financed, built, and placed in service in good-faith reliance on Maryland law. If Maryland were to apply a different compensation framework to these projects on a go-forward basis, this would upend the investment framework that was relied upon in making capital decisions. This is not simply a debate about energy policy — it is a question of whether Maryland’s word, as expressed through its statutes and regulatory frameworks, can be relied upon by those who invest long-term capital here.

The solar projects that Altus Power owns and operates in Maryland are long-term, capital intensive infrastructure assets – they required millions of dollars in upfront investment which we seek to recoup over the useful life of the project (20-25 years). When we made these investments, we did so because Maryland established clear rules — rules that this legislature put in place — and we structured long-term financing around them. Retroactively altering the economics of operating projects does not merely affect Altus Power; it sends a signal to every infrastructure investor evaluating Maryland that the state's policy commitments are conditional and subject to revision after capital has been deployed.

Maryland is not alone in facing this question. When other states have moved to retroactively alter net metering or distributed generation compensation for existing projects — as has recently occurred in Maine with changes to the Net Energy Billing program — the consequences have included investment pullback, legal challenges, and lasting reputational damage to the state's standing as a place to deploy capital. Maryland has an opportunity to distinguish itself by protecting the stability of existing commitments even while pursuing forward-looking affordability solutions.

Capital is mobile. If compensation frameworks are altered for operational projects under the current NEM program, companies looking to invest in future energy infrastructure will look to other states that provide a more predictable and stable policy environment than Maryland. This will only hinder Maryland’s ability to add new power sources to meet rising electricity demand, further exacerbating the energy affordability concern.

2. HB 1476 must include a transparent process for mature development projects to participate in the current NEM program under the established 3 GW cap.

Projects that are mature from a development perspective but are not yet operating are very important to helping Maryland secure additional generation capacity to keep electricity prices affordable. These projects have often met significant development milestones, such as securing site control, completing interconnection studies, and obtaining necessary permits. Similar to operating net metered projects, developers have been investing in these projects for years based on the 3 GW NEM compensation framework that Maryland enacted. These projects should have the opportunity to reserve capacity under the 3 GW NEM cap that has been in place.

Altus Power appreciates consideration of these issues before passing the bill. We have worked closely with our trade associations, CHESSA and SEIA, on bill language edits to accomplish these objectives.

Altus Power stands ready to assist this legislature on forward-looking solutions that address energy affordability while preserving regulatory stability and the investment climate in the state. We would welcome the opportunity to meet with Committee members to discuss the actual drivers of energy costs in Maryland and to contribute to a stakeholder process focused on durable, forward-looking solutions.

Please feel free to reach out to me with any questions.

Justin Biltz
Head of Policy and Government Affairs
Altus Power
justin.biltz@altuspower.com

HB1476 ECA Solar Testimony.pdf

Uploaded by: Kaitlin Kelly O'Neill

Position: FWA

February 27, 2026

Delegate Marc Korman, Chair
Environment and Transportation Committee
Room 251, Taylor House Building
Annapolis, MD 21401

Written Testimony
HB1476: Public Service Commission-Net Energy Metering-Successor Program
Position: Favorable with Amendment

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

Thank you for the opportunity to provide testimony on HB1476. Independently owned and operated for over 11 years, ECA Solar develops community solar projects that provide significant benefits to the local economy, community, and environment, and currently is developing over 50MW of community solar across Maryland. ECA Solar submits this testimony as Favorable with Amendment for HB1476.

Maryland's commitment to distributed energy resources like community solar has provided significant direct benefits to the state. Landowners receive steady leasing income for decades, municipalities receive tax benefits, all ratepayers benefit from the improvements to the local distribution network that developers fund, and of course community solar customers are receiving savings on their utility bills. Increasing the net metering cap to 3GW combined with making the community solar pilot program a permanent program has created business certainty for projects to be financed and built. That certainty has been a bedrock for ensuring successful project development in a time of turbulent federal changes.

ECA Solar appreciates the continued commitment that is shown to distributed solar with this bill, and thanks Speaker Peña-Melnyk for her continued efforts to grow the solar industry, positioning Maryland as a leader in clean, local, energy that will benefit all residents and ratepayers. With some targeted amendments, HB1476 will provide a strong foundation for Maryland as it establishes a mature structure for its net metering program. ECA Solar urges amendments to the bill to address the following concerns:

1. Grandfathering of existing and mature projects

The past year has been one of the most turbulent for the solar industry in recent memory. With the federal tax credits ending, the steadiness of state programs is critical for successfully financing and building more clean, renewable generation. Project development timelines take a couple of years, and many projects that are currently in the queue have spent significant capital with the understanding that there was a 3GW statewide net metering cap to reach. Statutory and regulatory consistency are the bedrock of a stable industry; most developers are now settled with their pipelines that will be able to move forward under the existing Investment Tax Credit before it expires. Significant changes to state programs will

imperil projects that have been in development for well over year in some instances. We urge that projects that are appropriately advanced in development will be able to confidently move forward under the existing net metering structure.

2. Implementing an orderly transition between programs

Transitioning between programs is never an easy process. As mentioned previously, developers are seeking certainty that projects that have achieved certain milestones can confidently move forward under the existing program. Furthermore, it will be challenging, if not impossible, for projects to continue development until we have greater certainty of what the successor program will look like. Engaging with the industry as part of this process will be a critical part of ensuring a smooth transition.

3. Robustly valuing distributed energy resources

The value of distributed energy resources has been studied multiple times, including by Maryland in 2018, and by Delaware in 2025. The findings have demonstrated that the benefits of distributed solar exceed costs, even before taking into account the environmental and societal benefits of using clean energy. We strongly urge the Commission to undertake a robust analysis in preparing its recommendations for a successor net metering program, including looking at the impact the loss of the Investment Tax Credit will have on project economics. There are a variety of factors to be considered, and a full cost benefit analysis is critical to understanding the full impact of a changing energy landscape.

Maryland is facing historic load growth in the coming years, and distributed energy resources such as community solar will bring necessary power, quickly. In addition to the clean power sources, interconnecting systems also pay to upgrade the utility grid as a condition of their interconnection agreement. These upgrades increase the resiliency of the local grid, while leveraging private capital for infrastructure improvements.

High energy costs across the state are due to a variety of challenges, but the largest factors include a high reliance on natural gas, an aging energy infrastructure in need of capital improvements, and projected load growth impacting PJM markets to increase costs for all ratepayers. Distributed generation helps to address all of these cost factors.

Investing in clean, distributed energy is worth it. We are grateful for the support of Maryland's leaders for your decisions to support these assets through past legislation, and we believe with some targeted language, the Speaker's bill will continue to support a robust industry that will benefit all Maryland ratepayers for years to come.

Thank you for your consideration and time.

Sincerely,

Kaitlin Kelly O'Neill
Director of Policy
ko@ecasolar.com

www.ecasolar.com
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508.460.2068



HB1476_Public Service Commission - Net Energy Mete

Uploaded by: Laurie McGilvray

Position: FWA



Testimony on: HB1476 – Public Service Commission - Net Energy Metering - Successor Program

Committee: Environment & Transportation

Organization: Maryland Legislative Coalition Climate Justice Wing

Submitting: Richard Deutschmann

Position: Favorable with Amendments

Hearing Date: March 3, 2026

Dear Chair Korman, Vice Chair Guyton and Committee Members:

We are providing our testimony today in **Support with Amendments** of HB1476 - Public Service Commission - Net Energy Metering - Successor Program. 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 with amendments on HB1476. We thank Speaker Pena-Melnyk for her leadership on this important bill.

Net metering of renewable energy systems in Maryland, and across the U.S., has been one of the bulwarks in creating a clean energy powered economy. This approach has brought us to a place where Marylanders can enjoy the benefits of this low-cost power solution, with more affordable energy bills for decades to come, and ancillary benefits such as increased reliability, delayed need for expensive transmission upgrades, and rapid deployment of in-state electricity generation. But as we approach the state-mandated cap of 3GW, we will need an orderly transition to a new net metering approach, one that will continue to make energy more affordable for Maryland families, and will continue the growth of clean energy into the future.

HB1476 does this by doubling the cap of net metered systems in Maryland from 3GW to 6GW. It also instructs the Maryland Public Service Commission (PSC) to develop and implement a successor program that will continue to incentivize clean energy development, compensate generators for some of the benefits that their energy creates, while squarely focusing on affordability for the ratepayer.

We respectfully request that this bill be amended to reflect the complex transition that needs to take place, in order for project development to continue without needless delays. The language in another bill, HB1195 - SUNRISE Act - appears to carefully capture the needs for this transition. We recommend amending HB1476 to:

- Recognize the large amount of projects that are currently in design, development or financial closing. These projects may be depending on the current net metering incentive for financial viability, and should be allowed to continue towards construction and interconnection to the grid. This smart amendment language would also eliminate a last minute surge of speculative projects, steering them to the new system.
- Have the PSC lead a comprehensive process to fairly value the distributed generation, to account for the numerous benefits that it brings about for both the system owner and

ratepayers across the state, as well as how it supports our state in meeting our climate goals under the Climate Solutions Now Act.

By passing HB1476 with the aforementioned amendments, we can ensure that the clean energy economy will continue to power Maryland for generations to come, long term job creation will benefit Maryland families, and state residents will be protected from rate increases and enjoy higher energy affordability for their homes and businesses.

For these reasons we request a FAVORABLE WITH AMENDMENTS report on HB1476.

350MoCo

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility

Climate Law and Policy Project

Climate Communications Coalition

Climate Parents of Prince George's

Climate Reality Greater Maryland

ClimateXChange

Coming Clean Network, Union of Concerned Scientists

DoTheMostGood Montgomery County

Echotopia

Elders Climate Action Maryland

Fix Maryland Rail

Glen Echo Heights Mobilization

Greenbelt Climate Action Network

HoCoClimateAction

Howard County Indivisible

Maryland Legislative Coalition

Maryland Energy Advocates

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

HB1476 (SB0966) - Public Service Commission - Net

Uploaded by: Megan Outten

Position: FWA



Maryland Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee
FROM: MEA
SUBJECT: HB 1476 - Public Service Commission - Net Energy Metering - Successor Program
DATE: March 3, 2026

MEA Position: FAVORABLE WITH AMENDMENTS

The Maryland Energy Administration (MEA) respectfully submits this letter of support with amendments for House Bill 1476.

HB 1476 establishes a framework for the development of a successor program to Maryland's existing net energy metering program. As Maryland approaches the current 3,000 MW cap, thoughtful planning for the next phase of distributed generation policy is both prudent and necessary to provide certainty to customers, developers, utilities, and ratepayers.

Net energy metering has been foundational to the growth of distributed solar and other clean energy resources in Maryland. It has supported residential, commercial, agricultural, and community solar deployment across the State while contributing to grid resilience, customer savings, and progress toward Maryland's climate goals.

MEA supports the bill's directive that the Public Service Commission develop a successor program that incentivizes distributed generation, minimizes short- and long-term ratepayer costs, and balances fair compensation with grid needs and energy equity considerations. These principles appropriately recognize that distributed generation provides system benefits, including reduced line losses, peak demand mitigation, and localized energy production, while also requiring a careful evaluation of cost allocation and grid maintenance responsibilities.

MEA also supports amendments proposed by the Speaker to clarify that customer-generators with an existing contract retain the ability to reserve capacity under the existing net energy metering framework during the transition to a successor program.

MEA recommends a mechanism whereby community solar generators could reserve capacity under the current net metering scheme until the 3,000 MW cap is reached. The ability to reserve capacity is particularly important for the community solar industry, and these projects involve multi-year development timelines, significant upfront interconnection and permitting costs, responsible subscriber acquisition processes, and financing structures that depend on predictable compensation mechanisms. A clear reservation pathway minimizes uncertainty during the transition period that would otherwise delay

projects, constrain financing, and ultimately slow deployment - particularly for projects serving low- and moderate-income subscribers.

For these reasons, MEA respectfully urges a **favorable report with amendments**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443.842.1780.

LSE Comments - HB1476.pdf

Uploaded by: Oliver Sandreuter

Position: FWA



Date: March 3, 2026

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

RE: HB1476: Public Service Commission – Net Energy Metering – Successor Program
Position: Favorable with Amendments

Chair Korman, Vice Chair Guyton, and members of the Environment & Transportation Committee, thank you for the opportunity to testify “favorable with amendments” on HB 1476, Public Service Commission – Net Energy Metering – Successor Program.

Lodestar Energy LLC (“Lodestar”) appreciates this opportunity to provide favorable with amendment testimony on HB1476, Public Service Commission – Net Energy Metering – Successor Program. Lodestar is an East Coast-focused renewable energy developer with its development office located in New York. Lodestar has developed, owns and operates over 40 solar projects across its 10-year history, with an active pipeline of community solar projects in Maryland. We are committed to the continued success of renewable energy in the state and want to continue our investment in Maryland's economic development.

Lodestar thanks Speaker Pena Melnyk for tackling energy affordability issues in this legislative session, and for recognizing the role of distributed solar as being part of a strategy to put downward pressure on energy costs. Increasing the net metering programs to 6 GW is impactful and a clear sign to our industries that Maryland is a willing partner to make distributed solar a mainstream resource for all energy consumers.

By doubling down on its commitment to local power, Maryland would recognize that distributed generation is essential to the State’s future. As regional electricity demand increases, Maryland has few tools in its toolbox to mitigate rapidly rising costs. These assets are uniquely valuable due to their small footprint and rapid ability to deploy - mitigating capacity price increases, keeping money in the pockets of Maryland ratepayers. Maryland residents are facing extraordinary utility bill prices because of three main reasons:



1. We are primarily dependent on a natural gas heavy market
2. The infrastructure is old, and needs significant upkeep and capital investment
3. The PJM market is seeing historic prices due to projected capacity challenges as the region faces rising electricity demand, which is due to historic projected load growth

Clean, distributed generation helps to mitigate all of these costs. These projects are financed using private capital, and their role as grid assets bring unique benefits to the distribution grid that lowers consumer energy costs by lowering utility costs.

It is essential to maximize how much distributed generation comes online. Hundreds of megawatts of capacity are currently under development within the current net metering program. Changes to existing rules could pull the rug out from this in-development capacity ***and undermine investor confidence in future energy program buildouts in Maryland.***

It is important that any changes to the net metering program, and the creation of a successor program, protects such existing investments in the state. Of note, a reasonably timed and transparent transition period to a successor Maryland net metering program is critical to ensuring this power continues to benefit ratepayers.

Proposed Amendments: A Transition That Doesn't Give Up Grid Benefits

Lodestar respectfully supports the transition and evolution of Maryland's energy tariffs to continue to reflect the holistic value of distributed generation. We believe the current bill language would unintentionally disrupt current projects under development, especially as the industry is focused on meeting the phase-out deadlines associated with the repeal of Investment Tax Credits by Congress in H.R. 1. We respectfully suggest the following amendments to ensure a transition that is both firm and fair:

- ***Safeguard Existing and Under-Development Solar Capacity:*** Projects currently in development are racing to meet construction deadlines set by H.R. 1.. These projects were invested in and financed under the statutes currently in place around NEM and are critical to backfilling the loss of federal tax credits.
- ***Implement a Transparent Transition:*** Ensure that current net metering tariffs remains available for projects where significant financial investments have already been made.



This includes signing a lease or purchasing property, investing in the interconnection process, and applying for state or local permits.

- ***PSC-Led Valuation Process:*** Utilize a Public Service Commission (PSC) led process for any future value of distributed solar and storage tariff designs. This provides certainty that any changes are informed by those tasked with managing Maryland's fastest-growing in-state energy resource. The PSC has the technical and policy expertise to evaluate the full breadth of unique value distributed-sited assets provide to the grid and ratepayers

By adopting these amendments, Maryland can utilize distributed solar as a central tool to lowering consumer and utility energy costs ***without unintentionally causing policy uncertainty that could destabilize the industry best positioned to deliver on new capacity.*** We look forward to working with the Speaker and this Committee to ensure Maryland remains a national leader in local, reliable, and equitable power.

With these amendments, Lodestar would urge a favorable report. However, we feel that our recommended amendments are crucial to ensuring that Maryland maximizes the benefits it can get from distributed solar, especially in the near future.

Sincerely,

Oliver Sandreuter
Director of Business Development

CHESSA - Solar Best Bang for the Buck One Pager.pdf

Uploaded by: Robin Dutta

Position: FWA



Distributed Solar Unlocks Ratepayer Savings



Great Returns on Maryland's Investments

Service Territory	Capacity Deployed (MW)	Annual Impact	Estimated Capacity Value (current capped price)	NET RATEPAYER SAVINGS
BGE	524.2	\$8,918,119	\$73,388,000	\$64,469,881
Pepco	315.7	\$4,526,955	\$44,198,000	\$39,671,045
DPL	119.1	\$2,673,104	\$16,674,000	\$14,000,896
PE	127.1	\$1,314,842	\$17,794,000	\$16,479,158

Energy generated locally is avoided energy that the utility to purchase and deliver via PJM. **That's instant and annual savings.** Utility bills would be even higher without all this distributed solar.

The annual impacts of distributed solar — like rooftop and community solar — are significantly less than the capacity values of these in-state resources at current PJM auction prices. Net metering does have a cost impact on distribution rates of utilities, as shown above. That means that across the service territories, the potential costs to customers are **only 7-16% of the value of the reduced capacity purchases** in the PJM market.

Value of Rooftop Solar in the BGE Territory in 2025

BGE has **563 MW of installed rooftop solar capacity** which produces approximately **732 GWh** of electricity, approximately 3% of delivered electricity to the eligible customer classes.



● SOS - \$83M
 ● Transmission - \$14M
 ● Distribution - \$32M
● SREC - \$38M
 ● Social Cost of Carbon - \$61M

The chart shows the **\$176M in value** of solar in avoided costs BGE would have incurred to serve this additional load, and avoided RGGI payments and REC obligations.

This chart does not include market price impacts (DRIPE), locational, economic and health benefits.

Producing solar energy within Maryland's borders - directly within the distribution system and close to load - has real value.

This **in-state generation reduces Maryland's exposure to PJM's energy and capacity markets**, reduces line losses and provides locational benefits.

Joint Solar Trades Testimony ENT_HB1476_FAV_AMDTS_

Uploaded by: Robin Dutta

Position: FWA



3 March 2026

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

Written Testimony

HB1476: Public Service Commission – Net Energy Metering – Successor Program

Position: Favorable with Amendments

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

The Coalition for Community Solar Access (CCSA), the Chesapeake Solar and Storage Association (CHESSA), the Solar Energy Industries Association (SEIA), and the Maryland Residential Solar Coalition (MRSC) respectfully submit this joint testimony, **Favorable with Amendments**, for House Bill 1476.

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.

CHESSA is a regional trade association representing solar installers, developers, manufacturers, and other solar workers in Maryland, Virginia, and the District of Columbia. CHESSA's mission is to create a business and policy environment that encourages mainstream solar and energy storage adoption for the benefit of consumers, communities, and the electric grid. CHESSA is a recognized state affiliate of SEIA.

SEIA is the national trade association for the United States solar and energy storage industries. 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 of solar energy and energy storage. SEIA collaborates with its 1,200 member companies and other strategic partners to advocate for policies that create jobs and shape fair market rules that promote competition and the growth of reliable, low-cost solar power and energy storage.

MRSC is a coalition of national, regional, and local companies committed to growing Maryland's rooftop solar market. Our members create durable, family-supporting jobs and help Marylanders reduce and better manage their electricity bills through home solar and storage systems. MRSC

members have served Marylanders for well over a decade and hope to continue doing so for decades to come.

Our organizations represent the majority of distributed-generation companies operating in Maryland, including local installers, national developers, manufacturers, community solar providers, and residential contractors for whom the Maryland net metering program represents a necessary ingredient to operate in Maryland. These businesses account for hundreds of millions of dollars in private investment across the State. Solar energy, both customer-sited and community-based, is one of the most deployable and scalable energy resources available in Maryland today. It can be developed and interconnected quickly, attract private capital without long-term fuel risk, reduce peak demand, lower transmission congestion, and provide measurable system benefits to ratepayers. In the current environment of rising capacity costs and economic uncertainty, policies that provide clarity and stability for distributed generation are essential.

While we firmly support the SUNRISE Act (HB 1195) as a solution for maintaining much-needed clean energy growth in Maryland, we appreciate that the Speaker of the House introduced HB 1476 which aims to accomplish similar objectives. As with SUNRISE, HB 1476 would task the Public Service Commission (PSC) with evaluating the net energy metering (NEM) framework and developing a successor program. However, we believe that targeted amendments are necessary to ensure that HB 1476 would support both market stability and ratepayer interests.

Most importantly, we believe that amendments are needed in HB 1476 to ensure the current NEM framework is maintained for operating and maturely developed projects that fall within the 3,000-megawatt cap, and then establishes a certain glide path for distributed solar projects under development in a manner that follows these principles:

- **Safeguard Existing and Under-Development Solar Capacity:** Projects currently in development are racing to meet construction deadlines set by H.R 1, the One Big Beautiful Bill. These and operating projects were financed under the assumption of NEM and are critical to backfilling the loss of federal tax credits.
- **Implement A Transparent Transition:** Ensure that the current program remains available for projects where significant financial investments have already been made. This includes signing a lease or purchasing property, starting the interconnection process, and acquiring state or local permits. This will also prevent a "rush" of purely speculative applications while honoring legitimate business commitments based on current law.
- **PSC-Led Valuation Process:** Utilize a PSC-led process to fairly account for the value of the different types of distributed solar and storage. This ensures that Maryland's fastest-growing in-state energy resource is compensated based on the real-world benefits it provides to the grid and the environment.

It is critical that legislation protect projects that have made binding financial commitments under the existing rules. Retroactive changes to compensation structures would undermine Maryland's regulatory credibility and create significant disruption to the market by stranding projects and

effectively freezing investment and development. Many states have gone through the process of developing successor programs for NEM; Maryland can leverage that experience and utilize lessons learned to ensure a successful transition.

We are committed to continuing discussions with key stakeholders and will provide the committee specific amendments for consideration in the coming days as we strive for consensus among the parties.

Respectfully submitted,

/s/

Charlie Coggeshall
Mid-Atlantic Regional Director
Coalition for Community Solar Access

/s/

Robin Dutta
Executive Director
Chesapeake Solar & Storage Association

/s/

Georgina Arreola-Lennox
Director, State Affairs, Mid-Atlantic Region
Solar Energy Industries Association

/s/

Katie Rever
Treasurer
Maryland Residential Solar Coalition

CleanCapital Testimony_House Bill No. 1476.pdf

Uploaded by: Scott Elias

Position: FWA



March 3, 2026

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

Written Testimony

HB1476: Public Service Commission – Net Energy Metering – Successor Program

Position: Favorable with Amendments

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

Thank you for the opportunity to testify “favorable with amendments” on HB 1476. My name is Scott Elias, and I am the Director of Policy and Market Development at CleanCapital, a leading independent power producer that develops, owns, operates, and invests in distributed solar and energy storage projects across the United States. I also serve as Vice President of the Chesapeake Solar & Storage Association (CHESSA) and as Co-Chair of SEIA’s Mid-Atlantic Committee.

CleanCapital has invested more than \$1.5 billion in clean energy projects serving corporations, municipalities, universities, schools, hospitals, utilities, and community solar subscribers. In Maryland, we own and operate 20 projects totaling more than 26 megawatts, with more than a dozen additional projects in construction and various stages of development. Many of these projects will participate in Maryland’s community solar program, delivering savings to low- and moderate-income ratepayers across the state.

We appreciate Speaker Pena-Melnyk and the legislature tackling energy affordability and proactively considering how distributed solar projects – and those under the state’s 3-gigawatt net metering cap – can best deliver benefits to the grid and Maryland ratepayers. While Marylanders are facing extraordinary utility bill prices, distributed solar helps to mitigate these costs. Distributed solar serves local load, smooths peak demand, and improves resilience, which reduces strain on the grid rather than adding to it. On today’s congested system, that makes distributed solar a critical part of the affordability solution.

We support the evolution of Maryland’s net metering framework and the development of a successor program that reflects the full value of distributed generation. However, CleanCapital is not only a project developer — we are also a long-term owner and capital provider to distributed generation developers across the country. Many Maryland projects currently under development are being financed with the expectation that institutional capital providers like CleanCapital will acquire and own them once operational. Regulatory uncertainty at the transition point between programs

directly affects our ability — and the broader market’s ability — to commit capital to complete those projects.

As a result, it is important that any changes to the state’s net metering program, and the creation of any successor program, neither harm existing distributed solar investments within Maryland nor discourage continued investment in one of the few energy resources that can be deployed quickly and precisely where the grid needs it.

As currently drafted, the bill directs the Public Service Commission (PSC) to develop and implement a successor program for net metering but leaves significant discretion to the PSC regarding transition timing and the treatment of existing projects and those that will begin construction shortly. Without clear statutory guardrails, that transition could introduce material uncertainty for operating facilities and projects that have already deployed substantial capital and bring financing for the advancement of new projects to a halt. Moreover, this comes at a time of broader federal uncertainty, with a changing clean energy financing landscape due to the phase out of federal tax credits.

While investors can live with forward looking changes, introducing a successor program without clear statutory protections for operating projects and defined treatment for projects that have met meaningful development milestones could undermine that financial foundation under which capital is currently being deployed.

We therefore respectfully submit the following amendments to ensure a transition that is grounded in principles that are fair for Marylanders, supports the continued growth of the Maryland solar industry, and ensures that prior investments retain value:

- **Safeguard Existing and Mature Solar Capacity Under Development:** HB 1476 should be revised to clarify that operating projects remain eligible for net metering until they are decommissioned, and that projects that have satisfied clearly defined interconnection and permitting milestones under existing law prior to implementation of the successor program remain eligible under the current net metering framework. Such projects were financed and advanced under the assumption of the current program compensation structure, and any retroactive or unclear transition treatment would materially disrupt investments made in reliance on existing law.
- **Establish a PSC-Led Valuation Process:** The bill should also use a Public Service Commission (PSC)–led process to fairly account for the full suite of values that distributed solar and storage bring to the grid and ratepayers. This will ensure that Maryland’s fastest-growing in-state energy resource is properly compensated for these benefits and will ensure sufficient notice for market participants to adjust financing and development timelines accordingly.

By adopting these amendments, Maryland can utilize distributed solar projects as a central tool to lower consumer and utility energy costs without destabilizing the industry that can bring the quickest and cheapest capacity to the grid.

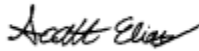
CleanCapital stands ready to continue investing in Maryland and to serve as a long-term owner of distributed generation assets developed by Maryland-based and national developers alike. Clear transition mechanics will allow institutional capital providers to confidently deploy capital into

projects currently under development and maintain Maryland's leadership in distributed clean energy.

We respectfully urge HB 1476 to incorporate these proposed amendments going forward.

Thank you for the opportunity to testify.

Respectfully submitted,

A handwritten signature in black ink that reads "Scott Elias". The signature is written in a cursive, slightly slanted style.

Scott Elias,
Director of Policy and Market Development
CleanCapital
selias@cleancapital.com

Sunrun E&T 3-3-26 HB 1476 Fav w Amd.pdf

Uploaded by: Thadeus Culley

Position: FWA



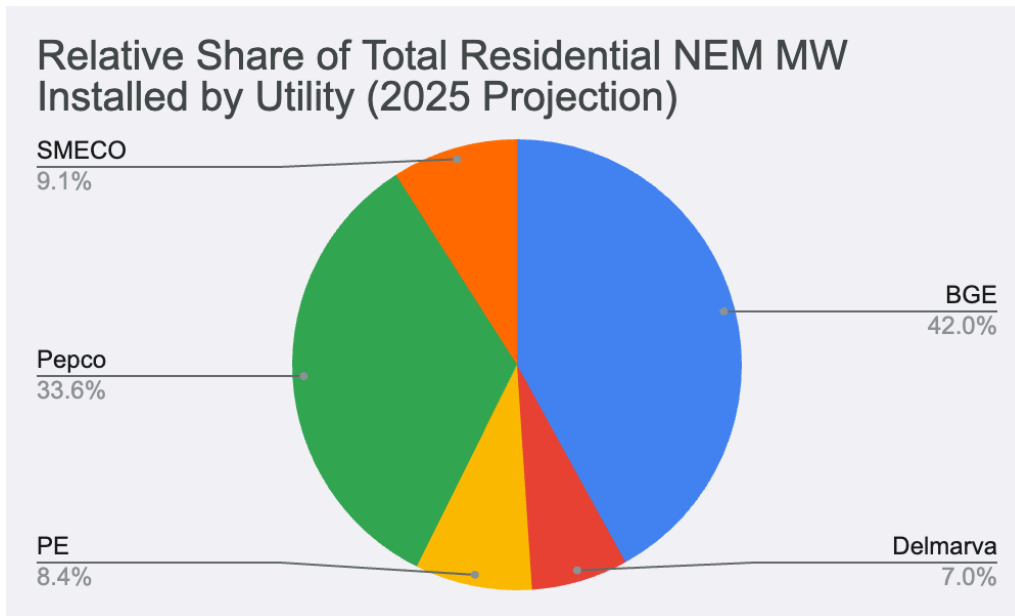
March 3, 2026
Delegate Marc Korman, Chair
Environment & Transportation Committee
Room 251, Taylor House Office Building
Annapolis, Maryland 21401

TESTIMONY OF SUNRUN ON HB 1476; FAVORABLE WITH AMENDMENTS

To the Honorable Chair Del. Marc Korman, Vice Chair Del. Michele Guyton, and members of the Environment and Transportation Committee:

Sunrun is the nation's largest provider of residential solar and storage services, with over 1.1 million customers across the country and a significant presence in Maryland. All of our residential customers in Maryland are currently taking service under the net energy metering program, which has led to the successful deployment of over 900 MW of solar on residential rooftops across the state over the past decade. Net metering has been the primary driver of customer adoption of solar across the country, with over five million households utilizing solar to offset their purchases from their utility, exerting some control over their household energy costs. According to the United States Energy Information Administration, there are over 117,000 households in Maryland that use net metering to take some control over their electric bills.

Chart 1. Relative Share of Residential NEM Among MD Utilities (EIA Data)



Historically, net metering has been viewed negatively by utilities as a source of revenue erosion and competition. Net metering reduces the number of units (kWh) sold by a utility, which means a utility might theoretically raise rates in order to collect enough revenue to meet their Commission approved revenue requirement (which includes a rate of return). Of course, rooftop solar can help reduce the utility revenue requirement by reducing the need to build infrastructure and can help lower peak-demand driven market costs that get passed through to ratepayers. A true determination of whether rooftop solar net metering puts a downward or an upward pressure on rates is highly technical and requires sophisticated methodological approaches and must take into account the current trends driving load and demand growth. This is far more complex than the cursory information presented in the Commission’s annual net metering reports, which simply reports out the utilities’ reported cost of net metering credit and does not appear to incorporate any offsetting values in producing a theoretical bill impact analysis.

With appreciation to the thoughtful approach put forward by Speaker Peña-Melnyk, HB 1476 will require the Commission to undertake a process—with industry experts and other stakeholders—to strike a balance that achieves the state’s overriding goal of improving affordability while leveraging the positive attributes of customer-sited renewable energy resources. Sunrun believes that HB 1476, with its proposed amendments, will give net metering its “day in court” to adjudicate the relevant costs and benefits for residential solar customers. While HB 1476 does not guarantee an outcome of this proceeding, as amended it should provide substantive and procedural fairness and give advocates the opportunity to make their case for a successor that meets the goals of the General Assembly and the needs of all ratepayers.

Notwithstanding this support for HB 1476, Sunrun believes that rooftop solar has produced significant benefits to Marylanders, both net metering participants and non-participants alike, and that our customers are an integral part of the solution to the current energy crisis. Customers that consume their own power put less strain on the grid and send any excess to be consumed nearby by neighbors, avoiding reliance on imported power or use of the transmission system to transport those electrons. These attributes are amplified when customers are encouraged to adopt battery storage and participate in time-of-use rates or grid support services to optimize the value of their assets to the grid.

With amendments addressing legislative intent to embrace the evolution to more flexible customer-sited generation, HB 1476 presents an opportunity, through a PSC-led process, to harmonize a successor program with other state energy policies and priorities. With this additional direction to the Commission, the purpose of the future proceeding is not to just determine the mathematical equation of what an electron is worth. Rather, this additional direction could instruct the Commission to develop a more holistic policy that achieves the greatest amount of good with the lowest amount of impact on rates.

Sunrun also appreciates and supports amendments that will keep the faith with existing net metering customers who invested private capital in rooftop solar facilities to engage in the current form of net metering. Sunrun believes that it is essential to make clear that existing customers taking service before a successor is adopted will not be affected by changes to the program through a successor tariff. This is a common sense and fair approach that has been followed in nearly every net metering transition across the country.

With amendments to establish clear legacy rights for existing customers and legislative intent to evolve net metering into a more beneficial policy that addresses multiple state objectives, Sunrun supports a favorable report of HB 1476.

/s/

Thad Culley

Director of Public Policy

Sunrun

thad.culley@sunrun.com

FirstEnergy FWA ENT - HB1476.pdf

Uploaded by: Timothy Troxell

Position: FWA

FAVORABLE WITH AMENDMENTS – House Bill 1476

HB1476 – Public Service Commission - Net Energy Metering - Successor Program

**Environment and Transportation Committee
Tuesday, March 3, 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.

Favorable with Amendments

We appreciate the General Assembly's continued efforts to modernize Maryland's distributed energy resource policies and **Potomac Edison / FirstEnergy respectfully request a Favorable with Amendments report on House Bill 1476 - Public Service Commission - Net Energy Metering - Successor Program**. HB-1476 takes a crucial step toward establishing a structured, transparent process for developing a successor to the state's existing net energy metering (NEM) framework.

By maintaining the current NEM program until the State reaches 3,000 MW of eligible customer-generator capacity, or until the Maryland Public Service Commission (Commission) submits its legislatively required study and recommendations, the bill offers continuity and stability for customers while setting the stage for a thoughtful transition. HB-1476 also authorizes a combined NEM and successor-program capacity of up to 6,000 MW, allowing Maryland to continue expanding distributed energy generation (DER) while establishing a process to better balance benefits, costs, and equity considerations.

To support the bill's goals, Potomac Edison / FirstEnergy recommends several amendments to strengthen clarity, equity, and policy alignment. We are fully prepared to engage in the Commission led stakeholder process envisioned by the bill, which will require utilities, industry participants, and customer advocates to collaboratively design compensation structures, clarify program rules, and establish an approach to cost allocation that aligns with broader state energy goals. As the Commission undertakes this future rulemaking, several key considerations will be essential to ensuring a fair and sustainable successor program.

The NEM Successor Program contemplated in HB-1776 would permit the state to reconsider how the current 3,000 MW cap is reached and alter when each geographic portion of the state transitions to the new paradigm. Currently, the transition is planned to occur only when the state-wide capacity of 3,000 MW is reached, but it is highly likely that some utility territories will have a greater share of capacity, and their customers will be required to pay significantly more to support the program. These costs will not go away when the state transitions to the NEM Successor Program - but will remain as long as the legacy systems are in service, likely for several decades. The Commission's Technical Staff released a November 2025 report on NEM and reported that Potomac Edison has 720 MW of Community Solar projects in queue, over 40% of the state-wide total, and more than any other utility in the state. To put that 40% in better context, Potomac Edison's peak demand only accounts for about 12% of the total peak electricity demand in Maryland. This same report indicated that Potomac Edison's residential customers will be paying an estimated \$20/month to support the current NEM program - if changes capping the amount of capacity in each service territory is not instituted.

Maryland is in a similar position today that California was a decade ago, before they transitioned to a NEM successor program. The California NEM successor program required utilities to transition when a territory-specific cap was reached, and each major electric utility reached the cap at different times. Massachusetts, Nevada, and Hawaii also have allowed for utility-specific transitions to an NEM successor program. Potomac Edison / FirstEnergy offers a simple solution to this issue that helps protect our customers and provides a more equitable solution for all portions of the state while preserving Maryland's clean energy goals and protecting customer affordability throughout the state. We recommend:

*7-306.(d) should be edited to include **"the earlier of"** after "until:" at the end of the paragraph.*

*7-306.(d)(1) should be edited to read: the rated generating capacity owned and operated by eligible customer-generators **"in an electric utility's service territory"** reaches **"its pro-rata portion of the statewide limit of"** 3,000 megawatts **"based on 2025 peak demand"**; OR add new line*

*7-306.4.(B)(3)(II)4. Should be added to read **"Creation of utility-specific transitions to the successor program as necessary to ensure equitable distribution of capacity throughout the state."***

Ratepayer impacts must be clearly evaluated - not only on a statewide basis, but also within each individual utility's service territory. As mentioned, DER development has been heavily concentrated in Potomac Edison's western counties – and this is creating significant long-term cost impacts on non-participating residential rate payers. We also recommend:

*7-306.4(B)(2) should explicitly require minimization of **"non-participating"** ratepayer costs, and*

*7-306.4(B)(3) should be amended to ensure cost-benefit balancing **"within each electric company service territory"** to better address localized impacts and spread any program costs fairly.*

HB-1476's requirements to both incentivize DER's and minimize costs may conflict with existing DER initiatives - underscoring the need for alignment across all programs. We recommend:

*In 7-306.4(B)(1), the requirement to **"incentivize the development of distributed generation"** should be removed **entirely**, as these incentive structures are better addressed in separate DER programs.*

Clear standards and program definitions will be crucial to avoid the ambiguity experienced in prior DER-related proceedings. Ensuring predictable outcomes for customers and reducing the potential for prolonged administrative disputes is important for HB-1476's success.

Finally, additional clarifications should require that energy export compensation in 7-306.4.(B)(3)(I) be **"market-based"** rather than reliant on administratively determined credits, and that equity analyses in 7-306.4.(B)(3)(II) consider customer-generator contributions not only to grid maintenance, but also to **"other energy-based ratepayer-funded programs"** and obligations such as the EmPOWER program.

While HB-1476 as drafted does not directly address Potomac Edison's ongoing concerns regarding the disproportionate concentration of Community Solar and NEM-related development in its service territory, our proposed amendments to the Successor Program framework presents a meaningful opportunity to improve transparency, modernize compensation methods, and strengthen cost allocation. Potomac Edison / FirstEnergy supports the bill's intent and looks forward to collaborating with the Commission and stakeholders to design a new NEM structure that balances customer benefits, system needs, clean energy objectives, and equitable cost responsibility across Maryland.

Potomac Edison / FirstEnergy respectfully requests a Favorable with Amendments report on HB-1476.

HB1476 - Favorable with Amendment Written Testimon

Uploaded by: Zac Meyer

Position: FWA



February 27, 2026

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

Written Testimony

HB1476: Public Service Commission – Net Energy Metering – Successor Program

Position: Favorable with Amendments

Chair Korman, Vice Chair Guyton, and members of the Environment & Transportation Committee, thank you for the opportunity to testify “favorable with amendments” on HB 1476, Public Service Commission – Net Energy Metering – Successor Program.

My name is Zac Meyer, and I am a Director of Development at Soltage. Soltage originates, develops, finances, owns, and operates solar energy facilities across the nation in 16 states and growing. We have been active in Maryland since 2021 with 3 operational facilities, 2 under construction, and a strong development pipeline of over 100 megawatts of solar in Maryland.

I am here to provide “favorable with amendment” testimony on HB1476, Public Service Commission – Net Energy Metering – Successor Program.

Proposed Amendments: A Transition That Doesn’t Give Up Grid Benefits

Soltage respectfully proposes a predictable path as part of this program transition. Although Soltage supports the evolution of Maryland's energy tariffs to transition to the , we believe the current bill language would unintentionally disrupt current projects under development, especially as the entire industry is focused on meeting the phase-out deadlines associated with Solar Investment Tax Credit repeal by Congress in H.R. 1. We respectfully submit the following amendments to ensure a transition that is both firm and fair for everyone:

- **Safeguard Existing and Under-Development Solar Capacity:** Projects currently in development are racing to meet construction deadlines set by H.R. 1, the One Big Beautiful Bill. These and operating projects were financed under the assumption of NEM and are critical to backfilling the loss of federal tax credits.
- **Implement A Transparent Transition:** Ensure that the established and expected revenue structure remains available for projects where significant financial investments have already been made. This includes signing a lease or purchasing property, starting the interconnection process, and acquiring state or local permits. This will also prevent a "rush" of purely speculative applications while honoring legitimate business commitments.

- PSC-Led Valuation Process: Utilize a Public Service Commission (PSC) led process to fairly account for the value of distributed solar and storage. This ensures that Maryland's fastest-growing in-state energy resource is compensated based on the real-world benefits it provides to the grid and the environment.

By adopting these amendments, Maryland can utilize distributed solar as a central tool to lowering consumer and utility energy costs without unintentionally causing a policy transition that could destabilize the industry that will build that new capacity. We look forward to working with the Speaker and this Committee to ensure Maryland remains a national leader in local, reliable, and equitable power.

With these amendments, Soltage would urge a favorable report. However, we feel that our recommended amendments are crucial to ensuring that Maryland maximizes the benefits it can get from distributed solar, especially in the near future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Zac Meyer', with a stylized flourish at the end.

Zac Meyer
Director of Development
Soltage