



February 29, 2024

Delegate C. T. Wilson
Chair
House Economic Matters Committee
231 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

Delegate Brian M. Crosby
Vice Chair
House Economic Matters Committee
231 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: SEIA Favorable with Amendments on HB1328: Solar Energy and Energy Storage – Development and State Procurement

Dear Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee,

I am writing on behalf of the Solar Energy Industries Association (“SEIA”) regarding our position of **Favorable with Amendments** on HB1328 (Ziegler and Crosby), which authorizes counties to enact a local law creating a conservation and restoration fund for a certain purpose; establishes the Utility-Scale Solar Design and Siting Commission in the Power Plant Research Program to provide recommendations related to solar energy development and land conservation and preservation; and requires the owner or operator of a certain solar energy generating station to plant and maintain a certain cover crop on certain land and submit a certain vegetation management plan to a certain entity. HB1328 was referred to the Economic Matters committee on February 9, 2024.

SEIA is the national trade association for the United States solar industry. With more than 1,000 member companies nationwide, SEIA is leading the transformation to a clean energy economy, creating the framework for solar to constitute 20% of U.S. electricity generation by 2030. To that end, SEIA supports policy measures that will drive needed investment in clean, domestic, local job-producing solar generation. We work with our member companies, which include solar manufacturers, service providers, residential, community and utility-scale solar developers, installers, construction firms, and investment firms, as well as other strategic partners, to shape fair market rules that promote competition and the growth of reliable, low-cost solar power. Maryland is home to more than 200 solar businesses with many more national firms also conducting business in the state.

It is critical that Maryland maximizes the economic and business opportunities associated with solar generation. As such, we appreciate the emphasis HB1328 places on the siting and permitting of clean energy generation in Maryland. Project siting is among the most pressing challenges to the deployment of ground-mounted solar in the state and, by extension, a key barrier to Maryland’s ability to meet its nation-leading solar targets.

SEIA supports HB1328 Part IV provisions relating to the mandated procurement of solar energy as an additional clean energy deployment tool for the state. We also support the provisions under “9-2016” to analyze the state’s land and grid suitability for solar energy development, which could help create greater transparency for the market regarding development opportunities and barriers.

While HB1328 may be well intentioned, SEIA is concerned with a number of potential unintended consequences associated with its implementation. The Conservation and Restoration Fund (section 12-905) is an interesting concept that could be explored further, but as captured in HB1328 would result in a fee determined by each county that is only applied to solar generating systems located on land zoned for agricultural use or silvicultural use. Allowing the counties full discretion to establish fee amounts could result in de facto bans on solar development on agricultural land, depending on the county. Further, it is inequitable to make solar development, which provides numerous economic and policy benefits to the state, subject to a fee which is not applied to other forms of development that occur on agricultural land.

Secondly, the Utility-Scale Solar Design and Siting Advisory Commission (“Commission”) (section 3-306.2) would create a 20-member Commission tasked with developing recommendations to the Governor and legislature on how to balance solar development with land and forest interests by December 2024, and then recommendations on the best practices and a model policy for developing solar projects over two megawatts in size, by December 2025. The result would be a two-year process, that may or may not produce further legislation or regulatory action in 2026, and that may or may not drive constructive improvements to solar siting in Maryland. The uncertainty of the Commission process and its outcome would not only undermine market confidence, but also prevent nearer-term solutions from being considered or adopted. In contrast to a Commission, SEIA recommends consideration of HB1046 and HB1407, which are geared toward actionable changes at the state and local levels to enable solar development.

Finally, SEIA believes this legislation should be amended to work better with multiple existing policy work streams among state government, agencies, and stakeholders. Solar siting and battery storage policy work is already occurring in other venues, and we do not believe that there is a need for an additional commission. It is essential that the work of the Public Service Commission, the Power Plant Research Program, and the Energy Storage Working Group is not interrupted by a new 20-member commission with an overlapping mandate to those existing stakeholder processes.

For these reasons, SEIA is only favorable to HB1328 if the following sections are struck from the bill: 12-905; 3-306.2; 7-215.1; and 7-216.2. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Leah Meredith

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