

**Thursday, March 7, 2024**

**TO:** C. T. Wilson, Chair of the House Economic Matters Committee, and Committee Members  
**FROM:** Cait Kerr, The Nature Conservancy, State Policy Manager; Michelle Dietz, The Nature Conservancy, Director of Government Relations

**POSITION:** Support HB 1435 Renewable Energy – Net Energy Metering Aggregation, Solar Renewable Energy Credits, and Taxes on Solar Energy Generating Systems (Brighter Tomorrow Act)

The Nature Conservancy (TNC) supports HB 1435 offered by Delegate Fraser-Hidalgo. HB 1435 codifies recommendations from the Task Force to Study Solar Incentives through a solar energy incentives package to ensure that the State meets our solar energy goals established in the Renewable Energy Portfolio Standard. These recommendations include:

- 1) Extending a personal property tax exemption for community solar projects smaller than 2 megawatts on already developed land or using agrovoltatics, and serving at least 50% low- to moderate-income households;
- 2) Creating a personal property tax exemption for non-residential rooftop and parking canopies, and offering jurisdictions authority to offer additional real property tax abatements for parking canopies;
- 3) Creating a consistent across-the-board Payment In Lieu of Taxes structure for ground mounted solar installations;
- 4) Raising the Aggregate Net Meter cap from 2 megawatts to 5 megawatts, and;
- 5) Creating a short-term Solar Renewable Energy Credit (SREC) multiplier for certain projects as a bridge to long term structural SREC system reforms.

The state's Renewable Energy Portfolio Standard supports generating 14% of our energy from solar by 2030. We are lagging in meeting this target. The Climate Solutions Now Act of 2022 sets state goals to reduce emissions by 60% by 2031 and reach net-zero by 2045. Governor Moore has set an even more ambitious goal for 100% renewable energy by 2035. These goals are achievable, but only through bold and aggressive action starting today. Renewable energy sources and a clean energy economy are essential to reaching state, national, and global low-carbon energy goals and combatting fossil fuels' negative health and environmental impacts.

TNC commends Delegate Fraser-Hidalgo on introducing this bill, which seeks to implement the recommendations from the Task Force to Study Solar Incentives in order to achieve our state's solar energy generation and emissions reduction goals.

**Therefore, we urge a favorable report on HB 1435.**