

SENATE BILL 613

C5, M5

3lr1183
CF HB 908

By: **Senators Brooks, Feldman, M. Washington, King, Kramer, Zucker, and Elfreth**

Introduced and read first time: February 6, 2023

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 22, 2023

CHAPTER _____

1 AN ACT concerning

2 **Electricity – Community Solar Energy Generating Systems Program and**
3 **Property Taxes**

4 FOR the purpose of making permanent the Community Solar Energy Generating Systems
5 Pilot Program; requiring a community solar energy generating system under the
6 Program to serve a certain percentage of its kilowatt-hour output to low-income and
7 moderate-income subscribers under certain circumstances; authorizing a
8 subscription coordinator to act on behalf of a subscriber organization; altering
9 requirements related to the siting and size of certain community solar energy
10 generating systems projects; authorizing the use of consolidated billing for certain
11 subscription charges; prohibiting a subscriber organization or subscription
12 coordinator from charging an LMI subscriber a certain subscription rate; requiring
13 an electric company to provide certain data to a subscriber organization or
14 subscription coordinator; authorizing an electric company to charge a certain fee for
15 the use of consolidated billing; requiring a person constructing or operating a
16 community solar energy generating system to address critical area, climate
17 resilience, and forest conservation concerns in a certain manner; requiring the Public
18 Service Commission to establish a stakeholder workgroup related to the
19 development of certain regulations; requiring the Commission to adopt certain
20 regulations making the pilot program permanent, allowing for the use of
21 consolidated billing, and implementing the provisions of this Act; requiring the
22 Commission to consider and implement certain methodologies to allow tenants of
23 master-metered residential facilities to participate in the Program; ~~repealing~~
24 ~~provisions related to maintenance of subscriptions if a subscriber has a change of~~
25 ~~address~~; prohibiting certain subscription rates and charges from being set at more

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



than a certain amount; establishing certain prevailing wage or labor requirements for developers of certain community solar energy generating system projects; creating a full-time position within the Commission for a certain purpose; altering the personal property tax exemption for certain community solar energy generating systems; and generally relating to ~~the Community Solar Energy Generating Systems Program~~ community solar energy generating systems.

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–306.2
Annotated Code of Maryland
(2020 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 7–237
Annotated Code of Maryland
(2019 Replacement Volume and 2022 Supplement)
(As enacted by Chapters 38, 415, 658, and 659 of 2022)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Public Utilities

7–306.2.

(a) (1) In this section the following words have the meanings indicated.

(2) “**AGRIVOLTAICS**” MEANS THE SIMULTANEOUS USE OF AREAS OF
LAND FOR BOTH SOLAR POWER GENERATION AND ~~AGRICULTURE~~;

**(I) RAISING GRAINS, FRUITS, HERBS, MELONS, MUSHROOMS,
NUTS, SEEDS, TOBACCO, OR VEGETABLES;**

**(II) RAISING POULTRY, INCLUDING CHICKENS AND TURKEYS,
FOR MEAT OR EGG PRODUCTION;**

**(III) DAIRY PRODUCTION, SUCH AS THE RAISING OF MILKING
COWS;**

**(IV) RAISING LIVESTOCK, INCLUDING CATTLE, SHEEP, GOATS,
AND PIGS;**

(V) HORSE BOARDING, BREEDING, OR TRAINING;

1 (VI) TURF FARMING;

2 (VII) RAISING ORNAMENTAL SHRUBS, PLANTS, OR FLOWERS,
3 INCLUDING AQUATIC PLANTS;

4 (VIII) AQUACULTURE;

5 (IX) SILVICULTURE; OR

6 (X) ANY OTHER ACTIVITY RECOGNIZED BY THE DEPARTMENT
7 OF AGRICULTURE AS AN AGRICULTURAL ACTIVITY.

8 (3) “Baseline annual usage” means:

9 (i) a subscriber’s accumulated electricity use in kilowatt–hours for
10 the 12 months before the subscriber’s most recent subscription; or

11 (ii) for a subscriber that does not have a record of 12 months of
12 electricity use at the time of the subscriber’s most recent subscription, an estimate of the
13 subscriber’s accumulated 12 months of electricity use in kilowatt–hours, determined in a
14 manner the Commission approves.

15 [(3)] (4) “Community solar energy generating system” means a solar
16 energy system that:

17 (i) is connected to the electric distribution grid serving the State;

18 (ii) is located in the same electric service territory as its subscribers;

19 (iii) is attached to the electric meter of a subscriber or is a separate
20 facility with its own electric meter;

21 (iv) credits its generated electricity, or the value of its generated
22 electricity, to the bills of the subscribers to that system through virtual net energy
23 metering;

24 (v) has at least two subscribers but no limit to the maximum number
25 of subscribers;

26 (vi) does not have subscriptions larger than 200 kilowatts
27 constituting more than 60% of its [subscriptions] **KILOWATT–HOUR OUTPUT;**

28 (vii) has a generating capacity that does not exceed 5 megawatts as
29 measured by the alternating current rating of the system’s inverter; [and]

30 (viii) may be owned by any person; **AND**

(IX) WITH RESPECT TO COMMUNITY SOLAR ENERGY GENERATING SYSTEMS CONSTRUCTED UNDER THE PROGRAM, SERVES AT LEAST 40% OF ITS KILOWATT-HOUR OUTPUT TO LMI SUBSCRIBERS UNLESS THE SOLAR ENERGY SYSTEM IS WHOLLY OWNED BY THE SUBSCRIBERS TO THE SOLAR ENERGY SYSTEM.

(5) “CONSOLIDATED BILLING” MEANS A PAYMENT MECHANISM THAT REQUIRES AN ELECTRIC COMPANY TO, AT THE REQUEST OF A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR:

(I) INCLUDE THE MONTHLY SUBSCRIPTION CHARGE OF A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR ON THE MONTHLY BILLS RENDERED BY THE ELECTRIC COMPANY FOR ELECTRIC SERVICE AND SUPPLY TO SUBSCRIBERS; AND

(II) REMIT PAYMENT ~~RECEIVED~~ FOR THOSE CHARGES TO THE SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR.

(6) “CRITICAL AREA” HAS THE MEANING STATED IN § 8-1802 OF THE NATURAL RESOURCES ARTICLE.

(7) “LMI SUBSCRIBER” MEANS A SUBSCRIBER THAT:

(I) IS LOW-INCOME;

(II) IS MODERATE-INCOME; OR

(III) RESIDES IN A CENSUS TRACT THAT IS AN:

1. OVERBURDENED COMMUNITY; AND

2. UNDERSERVED COMMUNITY.

(8) “LOW-INCOME” MEANS:

(I) HAVING AN ANNUAL HOUSEHOLD INCOME THAT IS AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL; OR

(II) BEING CERTIFIED AS ELIGIBLE FOR ANY FEDERAL, STATE, OR LOCAL ASSISTANCE PROGRAM THAT LIMITS PARTICIPATION TO HOUSEHOLDS WHOSE INCOME IS AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL.

1 **(9) “MODERATE-INCOME” MEANS HAVING AN ANNUAL HOUSEHOLD**
2 **INCOME THAT IS AT OR BELOW 80% OF THE MEDIAN INCOME FOR MARYLAND.**

3 **(10) “OVERBURDENED COMMUNITY” HAS THE MEANING STATED IN §**
4 **1-701 OF THE ENVIRONMENT ARTICLE.**

5 **(11) “PILOT PROGRAM” MEANS THE PROGRAM ESTABLISHED UNDER**
6 **THIS SECTION BEFORE ~~OCTOBER~~ JULY 1, 2023, AND EFFECTIVE UNTIL THE START**
7 **OF THE PROGRAM ESTABLISHED UNDER SUBSECTION (D)(20) OF THIS SECTION.**

8 **[(4)] (12) “Program” means the Community Solar Energy Generating**
9 **Systems [Pilot] Program.**

10 **(13) “QUEUE” MEANS:**

11 **(I) THE PILOT PROGRAM QUEUE AN ELECTRIC COMPANY IS**
12 **REQUIRED TO MAINTAIN UNDER COMAR 20.62.03.04; AND**

13 **(II) A QUEUE AN ELECTRIC COMPANY MAY BE REQUIRED TO**
14 **MAINTAIN UNDER THE PROGRAM.**

15 **[(5)] (14) “Subscriber” means a retail customer of an electric company that:**

16 (i) holds a subscription to a community solar energy generating
17 system; and

18 (ii) has identified one or more individual meters or accounts to which
19 the subscription shall be attributed.

20 **[(6)] (15) “Subscriber organization” means:**

21 (i) a person that owns or operates a community solar energy
22 generating system; or

23 (ii) the collective group of subscribers of a community solar energy
24 generating system.

25 **[(7)] (16) “Subscription” means the portion of the electricity generated by**
26 **a community solar energy generating system that is credited to a subscriber.**

27 **(17) “SUBSCRIPTION COORDINATOR” MEANS A PERSON THAT:**

28 **(I) MARKETS COMMUNITY SOLAR ENERGY GENERATING**
29 **SYSTEMS OR OTHERWISE PROVIDES SERVICES RELATED TO COMMUNITY SOLAR**
30 **ENERGY GENERATING SYSTEMS UNDER ITS OWN BRAND NAME;**

(II) PERFORMS ANY ADMINISTRATIVE ACTION TO ALLOCATE SUBSCRIPTIONS, CONNECT SUBSCRIBERS WITH COMMUNITY SOLAR ENERGY GENERATING SYSTEMS, OR ENROLL CUSTOMERS IN THE PROGRAM; OR

(III) MANAGES INTERACTIONS BETWEEN A SUBSCRIBER ORGANIZATION AND AN ELECTRIC COMPANY OR ELECTRICITY SUPPLIER RELATING TO SUBSCRIBERS.

(18) “UNDERSERVED COMMUNITY” HAS THE MEANING STATED IN § 1-701 OF THE ENVIRONMENT ARTICLE.

[(8)] (19) “Unsubscribed energy” means any community solar energy generating system output in kilowatt-hours that is not allocated to any subscriber.

[(9)] (20) “Virtual net energy metering” means measurement of the difference between the kilowatt-hours or value of electricity that is supplied by an electric company and the kilowatt-hours or value of electricity attributable to a subscription to a community solar energy generating system and fed back to the electric grid over the subscriber’s billing period, as calculated under the tariffs established under [subsection] SUBSECTIONS (e)(2), (F)(2), AND (G)(2) of this section.

(b) The General Assembly finds that:

(1) community solar energy generating systems:

(i) provide residents and businesses, including those that lease property, increased access to local solar electricity while encouraging private investment in solar resources;

(ii) enhance continued diversification of the State’s energy resource mix to achieve the State’s renewable energy portfolio standard and Greenhouse Gas Emissions Reduction Act goals; and

(iii) provide electric companies and ratepayers the opportunity to realize the many benefits associated with distributed energy; and

(2) it is in the public interest that the State enable the development and deployment of energy generation from community solar energy generating systems in order to:

(i) allow renters and low-income and moderate-income retail electric customers to own an interest in a community solar energy generating system;

(ii) facilitate market entry for all potential subscribers while giving priority to subscribers who are the most sensitive to market barriers; and

(iii) encourage developers to promote participation by renters and low-income and moderate-income retail electric customers.

(c) A community solar energy generating system, [including a] subscriber [or], subscriber organization [associated with the community solar energy generating system], **OR SUBSCRIPTION COORDINATOR** is not:

(1) an electric company;

(2) an electricity supplier; or

(3) a generating station if the generating capacity of the community solar energy generating system does not exceed 2 megawatts.

(d) (1) (i) The Commission shall establish [a pilot program for] **AND MAINTAIN** a Community Solar Energy Generating [System] **SYSTEMS** Program.

(ii) The structure of the [pilot program] **PROGRAM** is as provided in this subsection.

(2) All rate classes may participate in the [pilot program] **PROGRAM**.

(3) Subscribers served by electric standard offer service, community choice aggregators, and electricity suppliers may hold subscriptions to the same community solar energy generating system.

(4) A subscriber organization **OR SUBSCRIPTION COORDINATOR ACTING ON BEHALF OF A SUBSCRIBER ORGANIZATION** shall:

(i) determine how to allocate subscriptions to subscribers; and

(ii) notify an electric company and, if applicable, a relevant electricity supplier about **THE ALLOCATION OF SUBSCRIPTIONS IN ACCORDANCE WITH** the regulations the Commission adopts under subsection (e) of this section.

(5) An electric company shall use the tariff structure under [subsection] **SUBSECTIONS (e)(2), (F)(2), AND (G)(2)** of this section to provide each subscriber with the credits.

(6) A subscriber may not receive credit for virtual net excess generation that exceeds 200% of the subscriber's baseline annual usage.

(7) Any unsubscribed energy generated by a community solar energy generating system that is not owned by an electric company shall be purchased under the

electric company's process for purchasing the output from qualifying facilities at the amount it would have cost the electric company to procure the energy.

(8) An electric company shall use energy generated from a community solar energy generating system to offset purchases from wholesale electricity suppliers for standard offer service.

(9) All costs associated with small generator interconnection standards under COMAR 20.50.09 are the responsibility of the subscriber organization.

(10) A subscriber organization may petition an electric company to coordinate the interconnection and commencement of operations of a community solar energy generating system after the Commission adopts regulations required under subsection (e) of this section.

(11) A subscriber organization may contract with a third party for the third party to finance, build, own, or operate a community solar energy generating system.

(12) A municipal utility or cooperative utility may participate in the [pilot program] **PROGRAM.**

(13) **(I) [Equipment for] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH,** a community solar energy generating system may not be [built] **LOCATED** on [contiguous parcels of land unless the equipment is installed only on building rooftops] **THE SAME OR AN ADJACENT PARCEL OF LAND AS AN EXISTING OR PROPOSED COMMUNITY SOLAR ENERGY GENERATING SYSTEM IF THE TOTAL INSTALLED CAPACITY OF ALL COMMUNITY SOLAR ENERGY GENERATING SYSTEMS ON THE SAME OR ADJACENT PARCEL WOULD EXCEED 5 MEGAWATTS.**

(II) THE PROHIBITION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY TO PROJECTS CONSTRUCTED:

- 1. ON THE ROOFTOPS OF BUILDINGS;**
- 2. IN AREAS THAT ARE ZONED FOR INDUSTRIAL USE;**
- 3. ON BROWNFIELDS LOCATIONS AND CLEAN FILL SITES;**
- 4. OVER PARKING LOTS OR ROADWAYS;**
- 5. ON MULTILEVEL PARKING STRUCTURES;**
- 6. ON OR OVER TRANSPORTATION OR PUBLIC RIGHTS-OF-WAY;**

1 7. AT AIRPORTS;

2 8. ON LAND THAT:

3 A. WAS PREVIOUSLY ZONED FOR INDUSTRIAL USE OR IS
4 ECOLOGICALLY COMPROMISED; AND

5 B. IS NOT TARGETED FOR MITIGATION OR
6 RESTORATION; OR

7 9. IN ANY LOCATION IF:

8 ~~A.~~ THE COMBINED CAPACITY OF ALL COMMUNITY SOLAR
9 ENERGY GENERATING SYSTEMS ON THE SAME OR ADJACENT PARCEL DOES NOT
10 EXCEED 10 MEGAWATTS; AND;

11 ~~B.~~ A. AT LEAST 75% OF THE AGGREGATE CAPACITY OF THE
12 CO-LOCATED COMMUNITY SOLAR ENERGY GENERATING SYSTEMS SERVES LMI
13 SUBSCRIBERS ~~OR~~;

14 B. FOR A SITE WITHOUT A COMMUNITY SOLAR ENERGY
15 GENERATING SYSTEM INSTALLED BEFORE THE START OF THE PROGRAM UNDER
16 PARAGRAPH (20) OF THIS SUBSECTION, ALL OF THE COMMUNITY SOLAR ENERGY
17 GENERATING SYSTEMS INSTALLED AFTER THE START OF THE PROGRAM ARE USED
18 FOR AGRIVOLTAICS; OR

19 C. FOR A SITE WITH A COMMUNITY SOLAR ENERGY
20 GENERATING SYSTEM INSTALLED BEFORE THE START OF THE PROGRAM UNDER
21 PARAGRAPH (20) OF THIS SUBSECTION, EACH NEW COMMUNITY SOLAR ENERGY
22 GENERATING SYSTEM INSTALLED AFTER THE START OF THE PROGRAM IS USED FOR
23 AGRIVOLTAICS.

24 (14) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR
25 MAY ELECT FOR A SUBSCRIBER OR A COMMUNITY SOLAR ENERGY GENERATING
26 SYSTEM REPRESENTED BY THE SUBSCRIBER ORGANIZATION OR SUBSCRIPTION
27 COORDINATOR TO PARTICIPATE IN CONSOLIDATED BILLING.

28 (15) AN ELECTRIC COMPANY SHALL PROVIDE ACCESS TO CUSTOMER
29 BILLING AND USAGE DATA TO A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION
30 COORDINATOR IF THE CUSTOMER PROVIDES TO THE ELECTRIC COMPANY
31 AFFIRMATIVE CONSENT THAT IS ACCOMPANIED BY A WRITTEN OR ELECTRONIC
32 SIGNATURE.

1 **(16) (I)** AN ELECTRIC COMPANY MAY REQUIRE A REASONABLE FEE
2 FOR SUBSCRIBER ORGANIZATIONS OR SUBSCRIPTION COORDINATORS THAT USE
3 CONSOLIDATED BILLING. ~~IF THE FEE DOES~~

4 **(II)** THE FEE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH
5 MAY NOT EXCEED 1% OF THE BILL CREDIT VALUE TO THE SUBSCRIBER UNLESS THE
6 COMMISSION DETERMINES A HIGHER FEE IS JUST AND REASONABLE BASED ON
7 SUBSTANTIAL EVIDENCE PRESENTED BY THE ELECTRIC COMPANY.

8 **(III)** AN ELECTRIC COMPANY MAY ADJUST THE FEE UNDER
9 SUBPARAGRAPH (I) OF THIS PARAGRAPH NOT MORE THAN ONCE PER YEAR.

10 **(IV)** THE FEE FOR CONSOLIDATED BILLING ASSESSED TO A
11 SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR MAY NOT EXCEED
12 THE FEE THAT WAS IN EFFECT WHEN THE SUBSCRIBER ORGANIZATION OR
13 SUBSCRIPTION COORDINATOR ELECTED FOR THE COMMUNITY SOLAR ENERGY
14 GENERATING SYSTEM REPRESENTED BY THE SUBSCRIBER ORGANIZATION OR
15 SUBSCRIPTION COORDINATOR TO PARTICIPATE IN CONSOLIDATED BILLING.

16 **(17)** A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR
17 MAY NOT PROHIBIT A SUBSCRIBER FROM ENROLLING WITH AN ELECTRICITY
18 SUPPLIER FOR ELECTRIC SERVICE OR SUPPLY.

19 **(18)** A COMMUNITY SOLAR ENERGY GENERATING SYSTEM ON AN
20 ELECTRIC COMPANY QUEUE UNDER THE PILOT PROGRAM ~~ON SEPTEMBER 30, 2023,~~
21 SHALL RETAIN THE QUEUE POSITION UNDER THE PROGRAM.

22 **(19)** IN CONSTRUCTING OR OPERATING A COMMUNITY SOLAR ENERGY
23 GENERATING SYSTEM, A PERSON SHALL ADDRESS CRITICAL AREA, CLIMATE
24 RESILIENCE, AND FOREST CONSERVATION CONCERNS BY COMPLYING WITH THE
25 FOREST CONSERVATION ACT AND OTHER RELEVANT STATE AND LOCAL
26 ENVIRONMENTAL LAWS AND REGULATIONS PERTAINING TO THE CRITICAL AREA,
27 CLIMATE RESILIENCE, AND FOREST CONSERVATION.

28 **[(14)] (20)** The [pilot program] PROGRAM shall[:

29 **(i)]** begin on the earlier of:

30 **[1.] (I)** the date of submission of the first petition of a
31 subscriber organization under paragraph (10) of this subsection after the Commission
32 adopts the regulations required under subsection **[(e)] (F)** of this section; or

33 **[2.] (II)** 6 months after the Commission adopts those
34 regulations[; and

(ii) end 7 years after the beginning date, but not sooner than December 31, 2024.

(15) The Commission shall limit the pilot program in such a way that the Commission may conduct a meaningful study of the pilot program and its results, including:

(i) the appropriate number of community solar energy generating systems to be included in the pilot program;

(ii) the appropriate amount of generating capacity of the community solar energy generating systems to be included in the pilot program and the annual capacity limits for each program category, each of which should increase throughout the duration of the pilot program; and

(iii) a variety of appropriate geographical areas in the State for locating community solar energy generating systems to be included in the pilot program].

(e) On or before May 15, 2016, the Commission shall adopt regulations to implement this section, including regulations for:

(1) consumer protection;

(2) a tariff structure for an electric company to provide a subscriber with the kilowatt-hours or value of the subscriber's subscription, as the Commission determines;

(3) a calculation for virtual net energy metering as the Commission determines;

(4) a protocol for electric companies, electricity suppliers, and subscriber organizations to communicate the information necessary to calculate and provide the monthly electric bill credits and yearly net excess generation payments required by this section; and

(5) a protocol for a subscriber organization to coordinate with an electric company for the interconnection and commencement of operations of a community solar energy generating system.

(F) (1) SUBJECT TO SUBSECTION (H) OF THIS SECTION, TO IMPLEMENT THE PROGRAM, THE COMMISSION SHALL, ON OR BEFORE ~~OCTOBER 1, 2024~~ JANUARY 1, 2025, ADOPT REVISIONS TO THE REGULATIONS ADOPTED UNDER SUBSECTION (E) OF THIS SECTION FOR THE PILOT PROGRAM, INCLUDING REVISIONS THAT:

(I) REMOVE ALL PROGRAM CATEGORIES, PROJECT GENERATING CAPACITY LIMITS, YEARLY PROGRAMMATIC AND ELECTRIC

COMPANY-SPECIFIC CAPACITY LIMITS, AND SUNSET DATES SO THAT THE TOTAL NUMBER AND CAPACITY OF COMMUNITY SOLAR ENERGY GENERATING SYSTEMS IS SUBJECT ONLY TO THE OVERALL LIMITATION FOR ALL NET METERING PROJECTS ESTABLISHED UNDER § 7-306(D) OF THIS SUBTITLE;

(II) AUTHORIZE ALL COMMUNITY SOLAR ENERGY GENERATING SYSTEMS, INCLUDING THOSE CONSTRUCTED DURING THE PILOT PROGRAM, TO OPERATE AND GENERATE SUBSCRIPTION CREDITS UNTIL THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM IS DECOMMISSIONED;

(III) ADJUST CO-LOCATION RESTRICTIONS TO COMPLY WITH SUBSECTION (D)(13) OF THIS SECTION;

(IV) ALLOW A ~~CUSTOMER~~ SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR TO VERIFY, ~~WHEN SUBSCRIBING TO A COMMUNITY SOLAR ENERGY GENERATING SYSTEM,~~ THE INCOME OF A PROSPECTIVE SUBSCRIBER FOR ELIGIBILITY AS AN LMI SUBSCRIBER UNDER THE PROGRAM BY USING ONE OF THE FOLLOWING METHODS:

1. SELF-ATTESTATION BY THE PROSPECTIVE SUBSCRIBER THAT DOES NOT NEED TO BE UNDER OATH OR PENALTY OF PERJURY;

2. ~~PROVIDING~~ REQUIRING THE PROSPECTIVE SUBSCRIBER TO PROVIDE EVIDENCE OF ELIGIBILITY FOR OR ENROLLMENT IN AT LEAST ONE OF THE FOLLOWING GOVERNMENT ASSISTANCE PROGRAMS:

A. THE MARYLAND ENERGY ASSISTANCE PROGRAM;

B. THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM;

C. MEDICAID;

D. HEAD START;

E. FREE AND REDUCED PRICE SCHOOL MEALS;

F. THE FEDERAL LOW INCOME HOME ENERGY ASSISTANCE PROGRAM;

G. EMPOWER MARYLAND LOW- OR MODERATE-INCOME INCENTIVES;

H. TELEPHONE LIFELINE SERVICE;

1 I. THE FUEL FUND OF MARYLAND; OR

2 J. ANY ADDITIONAL FEDERAL, STATE, OR LOCAL
3 ASSISTANCE PROGRAM THAT THE COMMISSION DETERMINES WILL FURTHER THE
4 PURPOSES OF THE PROGRAM;

5 3. PAY STUBS;

6 4. INCOME TAX DOCUMENTS;

7 5. PROOF OF RESIDENCE IN AN AFFORDABLE HOUSING
8 FACILITY;

9 6. PROOF OF RESIDENCE WITHIN A CENSUS TRACT THAT
10 IS:

11 A. AN OVERBURDENED COMMUNITY; AND

12 B. AN UNDERSERVED COMMUNITY;

13 7. ANY VERIFICATION METHOD THAT WAS AVAILABLE
14 UNDER THE PILOT PROGRAM; OR

15 8. ANY ADDITIONAL METHODS APPROVED BY THE
16 COMMISSION TO VERIFY INCOME;

17 (V) REQUIRE ALL ELECTRIC COMPANIES TO USE:

18 1. BILL CREDITS APPLIED AS A REDUCTION IN METERED
19 KILOWATT-HOURS; OR

20 2. MONETARY BILL CREDITS THAT PROVIDE NOT LESS
21 THAN THE VALUE TO THE SUBSCRIBER OF THE CREDIT HAD IT BEEN APPLIED TO
22 THE SUBSCRIBER'S BILL AS A REDUCTION IN METERED KILOWATT-HOURS; AND

23 (VI) ESTABLISH PROCEDURES FOR THE COMMISSION TO:

24 1. COLLECT DATA FROM SUBSCRIBER ORGANIZATIONS,
25 WHEN APPLYING TO THE COMMISSION FOR ADMISSION TO THE PROGRAM, ON:

26 A. THE TYPE AND QUANTITY OF FOREST COVER ON THE
27 SITE OF A PROPOSED COMMUNITY SOLAR ENERGY GENERATING SYSTEM; AND

1 B. ANY ANTICIPATED IMPACTS THAT THE
2 CONSTRUCTION OF THE PROPOSED COMMUNITY SOLAR ENERGY GENERATING
3 SYSTEM WILL HAVE ON TREES AND FOREST COVER AT THE SITE OF THE PROPOSED
4 COMMUNITY SOLAR ENERGY GENERATING SYSTEM; AND

5 2. MAKE THE DATA COLLECTED UNDER ITEM 1 OF THIS
6 ITEM AVAILABLE TO THE PUBLIC IN A FORMAT AGGREGATED BY COUNTY.

7 (2) ON OR BEFORE ~~OCTOBER 1, 2024~~ JULY 1, 2025, THE COMMISSION
8 SHALL APPROVE ELECTRIC COMPANY TARIFF MODIFICATIONS THAT ARE
9 CONSISTENT WITH THE REGULATIONS ADOPTED UNDER THIS SUBSECTION.

10 (G) (1) SUBJECT TO SUBSECTION (H) OF THIS SECTION, ON OR BEFORE
11 ~~APRIL~~ JULY 1, 2025, THE COMMISSION SHALL ADOPT REGULATIONS THAT:

12 (I) IMPLEMENT CONSOLIDATED BILLING BY ELECTRIC
13 COMPANIES THAT MUST BE IN EFFECT BY JANUARY 1, 2026, INCLUDING PROTOCOLS
14 FOR PURCHASE OF RECEIVABLES PROTOCOLS OR NET CREDITING;

15 (II) REQUIRE ALL ELECTRIC COMPANIES TO REPORT BILLING
16 AND CREDITING ERRORS TO THE COMMISSION ON A REGULAR SCHEDULE;

17 (III) IMPOSE SPECIFIC TIMING REQUIREMENTS FOR
18 APPLICATION OF BILL CREDITS TO SUBSCRIBER BILLS AND APPLICATION OF
19 ROLLOVER CREDITS;

20 (IV) IMPLEMENT DATA EXCHANGE PROTOCOLS FOR ELECTRIC
21 COMPANIES, SUBSCRIBER ORGANIZATIONS, AND SUBSCRIPTION COORDINATORS,
22 INCLUDING REQUIRED DATA FIELDS FOR ELECTRIC COMPANY ALLOCATION
23 REPORTS;

24 (V) FOR SUBSCRIBERS ENROLLED IN BUDGET BILLING,
25 REQUIRE ELECTRIC COMPANIES TO APPLY COMMUNITY SOLAR CREDITS TO THE
26 MONTHLY AMOUNT DUE RATHER THAN THE UNDERLYING BALANCE;

27 (VI) REQUIRE ALL ELECTRIC COMPANIES TO SHOW APPLIED AND
28 BANKED CREDITS ON EACH BILL RENDERED TO A SUBSCRIBER; AND

29 (VII) IMPLEMENT ANY ADDITIONAL CHANGES THE COMMISSION
30 DETERMINES WILL IMPROVE BILLING AND CREDITING PROCESSES FOR
31 SUBSCRIBERS, SUBSCRIBER ORGANIZATIONS, AND SUBSCRIPTION COORDINATORS.

1 **(2) ON OR BEFORE ~~APRIL 1, 2025~~ JANUARY 1, 2026, THE**
2 **COMMISSION SHALL APPROVE ELECTRIC COMPANY TARIFF MODIFICATIONS THAT**
3 **ARE CONSISTENT WITH THE REGULATIONS ADOPTED UNDER THIS SUBSECTION.**

4 **(H) THE COMMISSION SHALL CONVENE A STAKEHOLDER WORKGROUP TO**
5 **PROVIDE RECOMMENDATIONS REGARDING THE REGULATIONS TO BE ADOPTED BY**
6 **THE COMMISSION UNDER SUBSECTIONS (F) AND (G) OF THIS SECTION.**

7 **(I) THE COMMISSION SHALL CONSIDER AND IMPLEMENT METHODOLOGIES**
8 **TO ALLOW THE TENANTS OF MASTER-METERED RESIDENTIAL FACILITIES TO**
9 **PARTICIPATE IN THE PROGRAM AND BENEFIT DIRECTLY FROM ANY ASSOCIATED**
10 **ELECTRIC BILL SAVINGS.**

11 **[(f)] (J) (1)** Subject to regulations or orders of the Commission, a contract
12 relating to a community solar energy generating system [or], subscriber organization, **OR**
13 **SUBSCRIPTION COORDINATOR** that is entered into during the pilot program **OR THE**
14 **PROGRAM** shall remain in effect according to the terms of the contract, including after the
15 termination of the pilot program **OR THE PROGRAM.**

16 **(2) [(i)]** This paragraph applies to electric companies, electric
17 cooperatives, and municipal utilities that participate in the Program.

18 (ii) A subscriber who has a change in the service address associated
19 with the subscriber's subscription may maintain the subscription for the new address if the
20 new address is within the same electric territory as the old address.

21 (iii) An electric company or a subscriber organization may not
22 terminate a subscriber's subscription due to a change of address for the service address
23 associated with the subscription if the requirements under subparagraph (ii) of this
24 paragraph are met.

25 (iv) An electric company shall make any changes necessary to
26 accommodate a subscriber's change of address on notification by a subscriber organization.

27 ~~**(e) (3) After termination of the pilot program,**~~ **ON AND AFTER OCTOBER 1,**
28 **2023,** in accordance with the operational and billing requirements in subsection (d) of this
29 section:

30 **[(1)] (I)** a subscriber organization may continue the operation of a
31 community solar energy generating system that began operation during the pilot program,
32 including the creation and trading of subscriptions; and

33 **[(2)] (II)** in accordance with the tariffs established under [subsection]
34 **SUBSECTIONS (e)(2), (F)(2), AND (G)(2)** of this section, an electric company shall continue

to facilitate the operation of a community solar energy generating system that began operation during the pilot program.

[(h)] (K) The cumulative installed nameplate capacity under the pilot program **AND THE PROGRAM** shall count toward the overall limitation for all net metering projects established under § 7–306(d) of this subtitle.

(L) (1) (I) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR MAY NOT REQUIRE AN LMI SUBSCRIBER TO UNDERGO A CREDIT CHECK OR PAY A SIGN-UP FEE TO SUBSCRIBE TO A COMMUNITY SOLAR ENERGY GENERATING SYSTEM.

(II) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR SHALL:

1. VERIFY THE ELIGIBILITY OF AN LMI SUBSCRIBER IN ACCORDANCE WITH SUBSECTION (F)(1)(IV) OF THIS SECTION; AND

2. RETAIN RECORDS OF EACH DETERMINATION OF ELIGIBILITY FOR AN LMI SUBSCRIBER TO BE MADE AVAILABLE TO THE COMMISSION ON REQUEST.

(2) A SUBSCRIBER WHO A SUBSCRIBER ORGANIZATION DETERMINED WAS ELIGIBLE TO PARTICIPATE AS A LOW-INCOME OR MODERATE-INCOME SUBSCRIBER UNDER THE PILOT PROGRAM SHALL REMAIN ELIGIBLE AS AN LMI SUBSCRIBER UNDER THE PROGRAM.

(3) (I) A COMMUNITY SOLAR ENERGY GENERATING SYSTEM CONSTRUCTED UNDER THE PILOT PROGRAM IN A CATEGORY REQUIRING THAT AT LEAST 30% OF ITS KILOWATT-HOUR OUTPUT SERVE LOW-INCOME OR MODERATE-INCOME SUBSCRIBERS SHALL CONTINUE TO SERVE AT LEAST 30% OF ITS KILOWATT-HOUR OUTPUT TO LOW-INCOME OR MODERATE-INCOME SUBSCRIBERS.

(II) A COMMUNITY SOLAR ENERGY GENERATING SYSTEM CONSTRUCTED UNDER THE PILOT PROGRAM IN A CATEGORY REQUIRING THAT AT LEAST 51% OF ITS KILOWATT-HOUR OUTPUT SERVE LOW-INCOME OR MODERATE-INCOME SUBSCRIBERS SHALL CONTINUE TO SERVE AT LEAST 51% OF ITS KILOWATT-HOUR OUTPUT TO LOW-INCOME OR MODERATE-INCOME SUBSCRIBERS.

(M) (1) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR MAY NOT CHARGE:

1 (I) A RESIDENTIAL SUBSCRIBER WHO IS NOT PARTICIPATING IN
2 CONSOLIDATED BILLING A SUBSCRIPTION RATE THAT IS MORE THAN THE
3 MONETARY VALUE OF THE BILL CREDIT ON A BILL ISSUED BY THE ELECTRIC
4 COMPANY TO THE SUBSCRIBER FOR ELECTRIC SERVICE; OR

5 (II) AN LMI SUBSCRIBER A SUBSCRIPTION RATE THAT IS MORE
6 THAN 90% OF THE MONETARY VALUE OF THE BILL CREDIT ON A BILL ISSUED BY THE
7 ELECTRIC COMPANY TO THE SUBSCRIBER FOR ELECTRIC SERVICE.

8 (2) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR
9 THAT ELECTS FOR A SUBSCRIBER TO PARTICIPATE IN CONSOLIDATED BILLING MAY
10 NOT SET A SUBSCRIPTION CHARGE THAT IS MORE THAN THE MONETARY VALUE OF
11 THE BILL CREDIT ON A BILL ISSUED BY THE ELECTRIC COMPANY TO THE
12 SUBSCRIBER.

13 (N) THE DEVELOPER OF A COMMUNITY SOLAR ENERGY GENERATING
14 SYSTEM WITH A GENERATING CAPACITY OVER 1 MEGAWATT, AS MEASURED IN
15 ALTERNATING CURRENT, SHALL ENSURE THAT WORKERS ARE PAID NOT LESS THAN
16 THE PREVAILING WAGE RATE DETERMINED UNDER TITLE 17, SUBTITLE 2 OF THE
17 STATE FINANCE AND PROCUREMENT ARTICLE, UNLESS THE COMMUNITY SOLAR
18 ENERGY GENERATING SYSTEM IS SUBJECT TO A PROJECT LABOR AGREEMENT THAT:

19 (1) BINDS ALL CONTRACTORS AND SUBCONTRACTORS ON THE
20 COMMUNITY SOLAR ENERGY GENERATING SYSTEM THROUGH THE INCLUSION OF
21 SPECIFICATIONS IN ALL RELEVANT SOLICITATION PROVISIONS AND CONTRACT
22 DOCUMENTS;

23 (2) ALLOWS ALL CONTRACTORS AND SUBCONTRACTORS TO COMPETE
24 FOR CONTRACTS AND SUBCONTRACTS ON THE PROJECT WITHOUT REGARD TO
25 WHETHER THEY ARE OTHERWISE PARTIES TO COLLECTIVE BARGAINING
26 AGREEMENTS;

27 (3) ESTABLISHES UNIFORM TERMS AND CONDITIONS OF
28 EMPLOYMENT FOR ALL CONSTRUCTION LABOR EMPLOYED ON THE PROJECTS;

29 (4) GUARANTEES AGAINST STRIKES, LOCKOUTS, AND SIMILAR JOB
30 DISRUPTIONS;

31 (5) ESTABLISHES MUTUALLY BINDING PROCEDURES FOR RESOLVING
32 LABOR DISPUTES; AND

33 (6) INCLUDES ANY OTHER PROVISIONS NEGOTIATED BY THE PARTIES
34 TO PROMOTE SUCCESSFUL DELIVERY OF THE COMMUNITY SOLAR ENERGY
35 GENERATING SYSTEM.

Article – Tax – Property

7-237.

(a) Except as provided in subsection (b) of this section, personal property is exempt from property tax if the property is machinery or equipment used to generate:

(1) electricity or steam for sale; or

(2) hot or chilled water for sale that is used to heat or cool a building.

(b) Subject to § 7-514 of this title, and except as provided in subsection (c) of this section, personal property that is machinery or equipment described in subsection (a) of this section is subject to county or municipal corporation property tax on:

(1) 75% of its value for the taxable year beginning July 1, 2000; and

(2) 50% of its value for the taxable year beginning July 1, 2001 and each subsequent taxable year.

(c) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Agrivoltaics” means the simultaneous use of areas of land for both solar power generation and agriculture.

(iii) “Brownfield” means:

1. a former industrial or commercial site identified by federal or State laws or regulations as contaminated or polluted; or

2. a closed municipal or rubble landfill regulated under a refuse disposal permit by the Department of the Environment.

(iv) “Community solar energy generating system” has the meaning stated in § 7-306.2 of the Public Utilities Article.

(v) “Electric company” has the meaning stated in § 1-101 of the Public Utilities Article.

(2) This subsection applies through the life cycle of a community solar energy generating system that:

(i) is placed in service after June 30, 2022; and

(ii) has been approved on or before December 31, 2025, by the Public Service Commission under § 7–306.2 of the Public Utilities Article.

(3) Personal property is exempt from county or municipal corporation property tax if the property is machinery or equipment that is part of a community solar energy generating system that:

(i) [as defined in regulation of the Public Service Commission, is part of a community solar generating system that:

1.] has a generating capacity that does not exceed 2 megawatts as measured by the alternating current rating of the system's inverter; [and

2.] (II) provides at least 50% of the energy it produces to low- or moderate-income customers at a cost that is at least 20% less than the amount charged by the electric company that serves the area where the community solar energy generating system is located; and

[(ii)] (III) 1. is used for agrivoltaics; or

2. is installed on a rooftop, brownfield, parking facility canopy, landfill, or clean fill.

(4) [Personal property that receives an exemption under this subsection is exempt from county or municipal corporation property tax for each taxable year in which the property continues to meet the requirements for the exemption under paragraph (3) of this subsection.

(5) The supervisor of a county or municipal corporation may not accept an application from a property owner for the exemption under this subsection after December 31, 2024.

(6) On or before October 1 each year, the Department shall report to the Senate Budget and Taxation Committee and the House Ways and Means Committee, in accordance with § 2–1257 of the State Government Article, on the number and location of projects that, in the immediately preceding taxable year, have received the exemption under this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That a Position Identification Number shall be created in the Public Service Commission for a full-time position that will focus only on implementing and administering the Community Solar Energy Generating Systems Program under § 7–306.2 of the Public Utilities Article, as enacted under Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any other law, all regulations adopted under § 7–306.2(e) of the Public Utilities Article for the

operation of the Community Solar Energy Generating Systems Pilot Program before the effective date of this Act shall continue in effect until amended or repealed.

SECTION 4. AND BE IT FURTHER ENACTED, That the prevailing wage and project labor agreement required under § 7–306.2(n) of the Public Utilities Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any community solar energy generating system, as defined in § 7–306.2(a)(4) of the Public Utilities Article, as enacted by Section 1 of this Act, that received a queue position in the Pilot Program, as defined in § 7–306.2(a)(11) of the Public Utilities Article, as enacted by Section 1 of this Act, before January 1, 2025.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.