

Renewable Energy Development and Siting Task Force
July 9, 2020
11:00 a.m.

Minutes

- Welcome
 - Welcome and attendance taken by Chair Greg Snook at 11:00 a.m.
- From the Chair
 - Snook reminded participants on the call to mute their phones unless they wish to speak in order to avoid background noise.
 - Snook introduced Dr. Ryan Opsal, Director of Policy at the Maryland Energy Administration (MEA) to give an update on the state of the renewable energy industry.
- Opsal discussed the state of today's renewable energy sector and Maryland's commitment to the clean energy sector.
 - He noted that the industry provides a very important and steady source of well-paying jobs to the state. Over the past few months, the industry has taken a hit. At the end of 2019, there were about 84,000 people working in the clean energy sector. Due to COVID-19, there has been a loss of about 12,000 jobs in the clean energy sector.
 - MEA recently filed a net energy metering petition that went before the Federal Energy Regulatory Commission (FERC).
 - On April 14, the New England Ratepayers Association (NERA) filed a petition for a declaratory order with FERC.
 - The petition calls for FERC to consider all behind the meter generation as a wholesale transaction, and would give FERC exclusive jurisdiction over net metering. The petition targets net metering, which is an effective incentive to compensate rooftop solar owners for the energy that goes back into the grid.
 - Maryland is one of 45 states that has a distributive energy compensation pricing mechanism. We award for excess generation greater than the wholesale price of energy. It is awarded at the retail rate.
 - MEA filed comments opposing the NERA filing, along with state regulators, members of the renewable energy industry, environmentalists and legislators.
 - Opponents of the petition view the initiative as a serious threat to state regulatory jurisdictions and state's rights to determine their own energy generation mix.
- Presentation by John Finnerty, Director of Business Development, Standard Solar
 - Key takeaways
 - Observations from the impact of COVID-19 include cleaner air and clearer skies.
 - Maryland continues to lead with energy use and management.
 - Consumption of energy has increased at the residential level with more people working from home.
 - Commercial offices, retail operations, and schools have scaled back resulting in decreased loads.
 - Solar continues to contribute to economic stability during COVID-19. It offers statewide investment and ratepayer value post-COVID.

- To get a sense of how the industry has been performing over the past few months, Finnerty discussed systems in-service, systems in-construction and systems in-development
 - System in-service: Delivering ongoing value for Maryland and ratepayers. This is a good example of public policy working, particularly with net metering.
 - At the municipal and county level where schools have rooftop solar, the facility may be just operating at base load with excess solar generation. They benefit from the net metering program and should receive credits in future months.
 - Community solar systems in service are delivering value to ratepayers.
 - Community solar represents a stable volume of new projects investing dollars into the state at a time when commercial investments are being sidelined. It is one sector that can be positioned for greater growth and has local economic value.
 - Solar construction is beginning to resume in Maryland and in other states after being interrupted due to COVID-19. This is a source of ongoing growth for Maryland.
 - Systems in development pertain to both residential and commercial projects.
 - Finnerty noted the task force may be able to support initiatives to help move counties toward a virtual process regarding permitting and inspections.
 - Finnerty explained that on the commercial side, the Chesapeake Conservancy did a good job bringing geographic information system tools in to help better identify parcels where solar is acceptable. He said this is just the first step, as much more comes into play to determine whether a site can fully move forward. He noted the first step may actually represent only 10-20% of sites that are solar viable in any given year.
 - Recommendations:
 - Review and remove barriers to get to interconnection approvals. Virtual approval systems/policies could help reduce county and state costs while delivering improved service post-COVID.
 - Support expansion of the net metering cap.
 - Support expansion or inclusion of commercial property owners and state agencies to participate in aggregate net energy metering.
 - With community solar coming online across the state and interest in deploying solar on more areas like brownfields and rooftops, he encourages counties to reform some property taxes on community solar projects.
- Snook opened the call up to questions and comments from task force members.
 - Snook asked what the current percent of personal property taxes is.

- Finnerty said it's a substantial amount for the typical 2 megawatt community solar projects.
 - Janet Christensen-Lewis, Maryland Farm Bureau (MFB) representative said personal property taxes in Kent County are 2.2% of the overall cost of anything put into solar (including inverters and panels), and the county can only charge 50% of the 2.2%, so it ends up being around 1.1% of the overall cost of the project. She noted that is the only source of revenue the county receives from those projects. Every county has a different personal property tax.
 - Devon Dodson, Maryland Department of the Environment (MDE) asked Finnerty what the two or three things a developer would look at when making a decision on siting a renewable energy project.
 - Finnerty said the topography of the site, soil conditions, interconnection proximity to the site, and whether there are wetlands, which goes into topography.
 - Dodson noted that based on his answer, cost comes later after identifying the prime location based upon transmission distribution.
 - John said it can vary. Land owners approach various industry developers with interest in having their land considered. In those cases where a parcel is already presented, that's what is looked at first.
- Snook opened the call up to questions and comments from the public.
 - Theodore Mariani, Howard County resident said there wasn't much of a discussion in the presentation about ground mounted solar on prime agricultural land. He asked if that topic is no longer being addressed.
 - Snook explained that the task force has always recognized siting on prime agricultural land, but there needs to be a blend of discussions surrounding renewable energy. Most calls have consisted of those discussions, along with the last call. This call was more of a discussion surrounding the solar energy industry and effects of COVID-19.
 - Mariani said the Chesapeake Conservancy study was well done, and allowed him to do analysis on Howard County. He said if you follow their recommendations, Howard County does not need any agricultural land to do commercial solar.
 - Jason Dubow, Maryland Department of Planning (MDP) asked if anybody could speak to the [recent Washington Post article](#) on Metro reaching a \$50 million solar power deal.
 - Snook noted Metro agreed to a deal to generate power on their surface parking lots and garages at four of their rail stations. It is a 25 year contract. Snook believes this shows local jurisdictions working together on inspections and permitting, and it is a huge step for the Metro.
 - Snook said the Maryland Municipal League (MML) and Maryland Association of Counties (MACo) could help send out news to local jurisdictions to let them know what's going on and how to help and get involved with the process.
 - Finnerty said that when talking about the value of opening up aggregate net metering to commercial property owners, it is a prime example of sites that may not use a lot of energy on site, but they have the potential to make the site more viable.

- David Murray, Maryland, DC, Delaware, Virginia Solar Energy Industries Association (MDV-SEIA), said the Metro project is financially feasible because of the DC solar renewable energy credit market. Typically those credits trade for around \$420.
 - Murray also commended MEA for their work on the net metering petition to FERC, along with the Governor's precaution during COVID-19, which allowed installers to continue working while following OSHA and CDC guidelines.
 - Murray noted that many counties are adopting the 2018 residential codes, which stipulate certain fire code setbacks for rooftop projects. He explained that it is important to not overanalyze the 2018 codes, which were limiting the amount of rooftop solar installed. Murray noted they will focus on this to ensure rooftop solar can continue to grow in Maryland.
 - Director Tung said they will send out a copy of their filing to FERC to the task force. She noted MEA believes the states have a right to set their own energy policy, including net energy metering.
 - A member from the Chesapeake Physicians for Social Responsibility and the Sierra Club suggested considering the national renewable energy labs study of Maryland, which found that about 16% of present electricity use could be built on existing rooftops. Regarding Dodson's earlier comment on property values and ag land, he noted in Montgomery County, agricultural land values are about \$8k per acre according to the U.S. Department of Agriculture, where commercial and industrial properties can go between \$100k-\$1M per acre.
 - He explained that Montgomery County has moved towards virtual permitting, and it would be great to facilitate that in other counties.
 - Dru Schmidt-Perkins asked for more information about aggregate net metering.
 - Joey Chen, Maryland Public Service Commission (PSC) said they have a net metering report that he will send. PSC also has a working group who could provide her back background information on aggregate net metering.
 - Perkins asked if it's currently allowed in Maryland.
 - Dubow noted it is being used, it just has limitations for access for commercial property operators and owners.
 - Eddie Lukemire, Maryland Department of Transportation (MDOT) said we are experiencing historically low utility generated electricity rates right now, and we are identifying that there is a large majority of real estate that lends itself to rooftop and canopy solar, so giving guidance on what a fair share may look like would be helpful.
 - Director Tung said MEA has a solar canopy program that provides grants for solar canopy construction.
- Snook adjourned the call at 12:00p.m.

Attendees

- Abigail Peryea, MEA
- Adam Gruzs, MDP
- Andrew Cassilly, Governor's Office
- Alex Butler, MACo
- Charles Glass, Maryland Environmental Service (MES)
- Cindy Osorto, MDE
- Devon Dodson, MDE
- Dorothy Morrison, MDOT

- Earl Lewis, MDOT
- Eddie Lukemire, MDOT
- Eric Coffman, MEA
- Greg Snook, Chair
- Hannah Schaeffer, Governor's Office
- Helen Stewart, power plant research program (PPRP), Maryland Department of Natural Resources (DNR)
- Interested Stakeholders
- James McKittrick, DNR
- Janet Christensen-Lewis, MFB representative
- Jason Dubow, MDP
- Joey Chen, PSC
- John Finnerty, Solar energy industry representative
- Julie Oberg, Maryland Department of Agriculture
- Landon Farhig, MEA
- Mary Beth Tung, MEA
- Matthew Sherring, MES
- Ryan Opsal, MEA
- Stephen Schatz, Governor's Office
- Terry McGean, MML representative
- Wade Haerle, Maryland Department of Commerce