

Communities get 'green' light for pilot solar program

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The Maryland Public Service Commission recently adopted regulations to establish a community solar pilot program within the state.

The three-year pilot will provide solar-generated electricity for Maryland residents without regard for property ownership. Thirty percent of the program will be set aside for low- and moderate-income customers to participate, according to PSC Director of Electricity Phillip VanderHeyden.

Community solar programs allow residents to lease through a subscription a portion of a shared solar energy system that uses solar panels to derive energy from the sun's radiation. As the world's most abundant energy source, an hour and a half of sunlight could power the entire world's electricity for one year, according to the Department of Energy website.

The monthly savings for solar energy can vary from \$45 to \$187 a month, depending on where customers live, according to a study by the NC Clean Energy Technology Center. Additionally, there are tax incentives for using solar energy. However, solar energy accounts for less than 2 percent of electricity generation in the U.S.

The initial costs of solar panels, connection fees, permits and labor are often prohibitive for many homeowners. Renters traditionally cannot participate because they cannot make modifications to a dwelling they do not own. Maryland's pilot eliminates the upfront costs and the hassle of installing panels for those who choose not to do so.

The state's pilot program is still in the planning stages. A stakeholder group, made up of utility companies, government entities and solar developers, is still working out the design, terms and conditions of the program, according to VanderHeyden, but he anticipates sometime in late August state utility companies will have submitted to the PSC their pricing structures, called tariffs, for energy consumption.

Once the commission accepts the tariffs, there are several more steps to be completed before residents can subscribe to a solar energy system. Subscriber organizations must get authorization from the commission to operate and the application process has to be developed.

There are provisions in the pilot for energy to be generated from solar panels installed on rooftops, parking lots, roadways or parking structures, as well as brownfields, former industrial or commercial sites to include landfills and mined lands. The exact location of where the solar projects will be located, or if one will be in Calvert County, has not been determined.

“Folks have been very concerned about the construction of large solar plants on farmland,” said VanderHeyden, who does not expect a large-scale solar plant to come to Calvert due to the limited scope of the program. “All of the plants are capped at 2 megawatts. [The] most you'd see is one 2-megawatt plant in [Calvert]. SMECO has to agree to interconnect at any location.”

Southern Maryland Electric Cooperative, along with Choptank Cooperative, submitted comments on the pilot's draft regulations back in December 2015.



“The Cooperatives are excited to see community solar's promise realized in Maryland but the draft regulations are fatally flawed in several respects,” per SMECO Vice President of External Affairs and General Counsel Mark MacDougall and other cooperative leadership, in the Dec. 4 comments citing specific concerns over the “scope of the program, rate credit issues, as well as design concerns involving surcharges and utility data.”

“The regs didn't address all our of concerns and we're still evaluating the impact that these regs will have on all of our customer members,” said Tom Dennison, managing director of government and public affairs for the utility company, referring to the final pilot regulations that came out July 8.

Dennison added that SMECO is generally supportive of the shared solar effort and that the company recently released a request for proposals for solar electricity generation "to help us meet our renewable portfolio standard," or RPS. Established in 2004, the RPS is a state mandate requiring utility companies to generate 20 percent of their energy from renewable sources by 2022. Two percent of that energy must be derived from solar. The desired outcome RPS is lower energy costs and fewer pollutants in the environment. Dennison said SMECO is on target to meet the requirement.

What is for certain, regarding the pilot, is that renters will be able to contract for solar energy, according to the regulations. There will also be an incentive for solar companies to provide the service to low- and moderate-income customers.

The regulations were initiated from House Bill 1087 "Electricity — Community Solar Energy Generating System Program," which Gov. Larry Hogan (R) signed into law in May 2015.

Once the pilot is up and running, Maryland will join 25 other states with shared solar projects, to include California, which generates more than 5 percent of electricity from solar power.

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