

2024 Senate Bill 783 – The Brighter Tomorrow Act

Background:

- On May 9, 2024, Governor Wes Moore signed [SB 783](#) into law with an effective date of July 1, 2024.
- SB 783 revised Maryland Public Utility Article (PUA) sections §7-306, §7-709, §7-712, and §7-714.
- SB 783 contained various provisions affecting Solar Energy Systems within Maryland including the establishment of a **“Small Solar Energy Generating System Incentive Program”** administrated by the Maryland Public Service Commission.

Small Solar Energy Generating System Incentive Program – Overview:

- The established program provides that an eligible Solar System can apply to become a “Certified System” and receive “Certified Solar Renewable Energy Credits (SRECs)”.
- **“Certified SRECs”** shall have a **compliance value of 150%** for electric suppliers to apply towards meeting the Renewable Energy Portfolio Standard (RPS) established under PUA §7-703



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Small Solar Energy Generating System Incentive Program – System Eligibility:

- To be eligible to become a “Certified System”, a Solar Energy Generating System shall:
 - Be located in Maryland;
 - Be eligible for inclusion in meeting the RPS Standard;
 - Have a generating capacity of **5 Megawatts or less**;
 - Be placed in service **between July 1, 2024 and January 1, 2028**; and
- Be one of the following systems:
 - i. A system with a generating capacity of **20 Kilowatts or less**
 - ii. A system with a generating capacity of **2 Megawatts or less** if the system is used for Aggregate Net Metering
 - iii. A system with a generating capacity **between 20 Kilowatts and 5 Megawatts** if the system is located on a rooftop, a parking canopy, or a brownfield site



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Small Solar Energy Generating System Incentive Program – Application Process:

- If an eligible system is placed in service **between July 1, 2024 and January 1, 2025**, that system can:
 - Apply for certification as a Tier 1 Renewable Source **before** January 1, 2025
 - Apply to become a “Certified System” under the program **on or after** January 1, 2025
- If an eligible system is placed in service **after January 1, 2025**, that system can apply to become a “Certified System” **at the same time** that they apply for certification as a Tier 1 Renewable Source

Small Solar Energy Generating System Incentive Program – Application Requirements:

- An eligible system must submit the following information when applying to become a “Certified System”:
 - A form officially requesting that the system be certified to receive “Certified SRECs”
 - A copy of the Interconnection Agreement between the system’s applicant and the applicant’s electric company
 - A copy of the final approval of local building permits if the system is seeking certification due to eligibility as a system located on a rooftop, parking lot, or parking structure
 - Documentation demonstrating that the system is located on a brownfield site if the system is seeking certification due to eligibility as a system located on a brownfield site
 - A copy of the Aggregate Net Metering Rider submitted with the Interconnection Agreement if the system is seeking certification due to eligibility as an Aggregate Net Metering System
 - Any other information as requested by the Commission

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Small Solar Energy Generating System Incentive Program – Capacity Limitations:

- The generating capacity of “Certified Systems” may **not** exceed:
 - **300 Megawatts** for systems with a generating capacity less than 20 kilowatts
 - **270 Megawatts** for systems with a generating capacity between 20 kilowatts and 5 Megawatts

Other Renewable Energy Credit (REC) Changes:

- All Renewable Energy Credits (RECs) shall now exist for lifespan of **5 years** (this is a change from the previous 3-year lifespan)
- At the time that **any Solar System** is certified by the Commission as a Tier 1 Renewable Source, the owner of the system shall pay to the Commission the following one-time fee:
 - **\$50** for each system with a generating capacity of less than 20 kilowatts
 - **\$200** for each system with a generating capacity of more than 20 kilowatts
- The Commission will update stakeholders regarding the available payment options and payment processes for the fee.

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Frequently Asked Questions:

- **Q:** Does the expanded lifetime of Renewable Energy Credits (RECs) from 3 years to 5 years apply to RECs across all tiers?
 - **A:** Yes. The change in REC timeframe from 3 years to 5 years will apply to all RECs types (Tier 1, Tier 2, Offshore Wind, and Geothermal)
- **Q:** Does the expanded lifetime of Renewable Energy Credits (RECs) from 3 years to 5 years apply retroactively to pre-existing RECs?
 - **A:** Yes, existing RECs that previously had an original lifespan of 3 years will now have a lifespan of 5 years.
- **Q:** If my eligible solar project was placed into service between July 1, 2024 and January 1, 2025, will I automatically receive “Certified System” status?
 - **A:** No, an eligible solar project that is placed into service between July 1, 2024 and January 1, 2025 will need to apply to become a “Certified System” starting on January 1, 2025. This project can still apply as a Tier 1 Renewable source prior to January 1, 2025.
- **Q:** Will the current SREC application portal be changed?
 - **A:** The SREC application portal may experience updates and changes in the near future as this program is implemented. The Commission will inform stakeholders whenever changes occur. SREC Application information is available [here](#).



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