Report on the Status of Net Energy Metering In the State of Maryland

Prepared by the
Maryland Public Service Commission

Prepared for the General Assembly of Maryland
Under Public Utilities Article §7-306(i)

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Table of Contents

Executive Summary

This report is prepared by the Maryland Public Service Commission in compliance with *Annotated Code of Maryland*, Public Utilities Article ("PUA"), §7-306(i). PUA §7-306(i) requires the Commission to report on the status of Maryland's net metering program, including the amount of capacity by type of energy resource from net-metered facilities in the state and to recommend whether the cap on eligible capacity should be altered. This is the 15th report prepared by the Commission. The initial report was produced in 2008.

Although there has been an increase in the number of recent installations of net-metered facilities, the current level of installed capacity, approximately 1,415 megawatts (MW),[1] is 47.2 percent of the eligible State cap of 3,000 MW. In the 2021 General Assembly session, House Bill 569, by amending PUA §7-306(d),[2] increased the State cap for net metering from 1,500 MW to 3,000 MW, effective October 1, 2021.

While no further revisions to PUA §7-306 are recommended at this time, the Commission continues to monitor local and national renewable energy issues, including regulation and tariff changes. As of the first quarter of 2024, 43 states plus the District of Columbia and Puerto Rico had mandatory net metering rules or policy action taken on net metering.[3] In 2015, the Commission held a technical conference, docketed as Public Conference 40 (PC40),[4] to address distributed generation issues, including community solar implementation which had recently been adopted on a permanent basis by legislation in Maryland. In 2016, the Commission initiated

[1] Installed capacity as of June 30, 2024. This includes 1,211 MW installed net metering capacity and 204 MW installed community solar capacity.
[2] https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb0569.
[3] *North Carolina Clean Energy Technology Center*, The 50 States of Solar: Q1 2024 Quarterly Report, April 2024.
[4] In the Matter of the Investigation into the Technical and Financial Barriers to the Deployment of Small Distributed Energy Resources, Public Conference 40.

Public Conference 44 (PC44) to explore issues related to grid modernization and distributed resources.[5] During 2016, the Commission directed the Maryland Net Metering Work Group (MNMWG) to implement a Community Solar Pilot Program in response to the legislative requirements of House Bill 1087 ("HB1087") of the 2015 Session, since codified at PUA §7-306.2. After a Commission rulemaking, Subtitle 62 of Title 20 of the Code of Maryland Regulations ("COMAR") was adopted in July 2016, and governs and provides a framework for the Community Solar Energy Generating Systems (CSEGS) Pilot Program.

The Commission directed the MNMWG to work collaboratively to develop utility tariffs to implement the regulations. In its February 15, 2017 letter order, the Commission directed Maryland's investor-owned utilities to file compliance tariffs to implement the Pilot and directed its Technical Staff to prepare forms to authorize subscriber organizations that would build and operate the CSEGSs.

In 2019, the Maryland General Assembly amended PUA §7-306.2 to extend and expand the Pilot.[6] In 2020, through Rulemaking 56, the Commission approved revisions to COMAR 20.62.02 to implement the extension and expansion of the Pilot.

House Bill 908 (HB 908), also known as "Community Solar Energy Generating Systems Program and Property Taxes" was signed into law and became effective July 1, 2023 by its terms.[7] The Act makes the CSEGS pilot program permanent and requires community solar systems authorized under the new law to serve at least 40 percent of their energy output to low-

[5] In The Matter of Transforming Maryland's Electric Distribution Systems to Ensure that Electric Service Is Customer-Centered, Affordable, Reliable and Environmentally Sustainable in Maryland, Public Conference 44.
[6] https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb0683/?ys=2019rs.
[7] 2023 Laws of Md., Ch. 652.

income and moderate-income subscribers and authorizes a subscription coordinator to act on behalf of a subscriber organization. The bill modifies Public Utilities Article §7-306.2 and Tax Property Article §7-237. To comply with HB 908, the MNMWG drafted revisions to current regulations which the Commission adopted on September 5, 2024 in the Rulemaking 56 (RM 56) proceeding.

Net Metering in Maryland

Net metering is a method by which a single meter is used to capture a customer's usage and the energy produced by a renewable energy generator when connected to an electric utility distribution system. Net energy metering generally utilizes the existing meter for all calculations, avoiding the expense of a second meter to measure incoming and outgoing energy separately. The law permits net metering for solar, wind, biomass, micro combined heat and power, fuel cell, and closed conduit hydroelectric generating facilities intended to supply all or part of a customer's annual energy usage. The term "net metering" refers to the measurement of electricity on the basis that it is the net of energy used and produced by an eligible customer-generator during a single billing period, *e.g.*, one month.[8] As discussed further below, the terms of utility tariffs require a customer to pay the monthly utility customer charge, regardless of the amount of energy produced. However, for energy billed, the customer pays only for energy used, netted against any generated energy the customer produces. The practical effect of this policy is to allow customers to use the utility grid as if it were battery storage such that when a customer generates excess energy, the customer can store it for later use. The law also provides for the

[8] "Eligible customer-generator" means a customer that owns and operates, leases and operates, or contracts with a third party that owns and operates a biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydroelectric generating facility that: (i) is located on the customer's premises or contiguous property; (ii) is interconnected and operated in parallel with an electric company's transmission and distribution facilities; and (iii) is intended primarily to offset all or part of the customer's own electricity requirements. *See* PUA §7-306(a) (4).

monetary payment of net excess generation for a customer that terminates service, for eligible customer generators that accrue net excess generation indefinitely, or, at the end of April, for eligible customer generators that accrue net excess generation annually .[9] The dollar value of net excess generation is equal to the generation or commodity portion of the rate that the electric company would have charged the eligible customer-generator which is then averaged over the previous 12-month period and multiplied by the number of kilowatt hours of net excess generation. PUA §7-306 was amended by Senate Bill 143, which was enacted during the 2023 legislative session effective October 1, 2023, according to its terms. This bill allows eligible customer-generators to elect to accrue net excess generation indefinitely rather than receive monetary payment for net excess generation each year.[10] The following table summarizes the total amount of excess generation credit payouts by rate class for each utility operating in Maryland. As **Table 1** indicates, approximately $9,934,843 of excess generation credits were paid to customers in the 12-month period ending April 30, 2024.

[9] PUA §7-306(f)(6) states:

> (i) If an eligible customer–generator elects to accrue net excess generation under paragraph (5)(i)1 of this subsection, on or before 30 days after the billing cycle that is complete immediately prior to the end of April of each year, the electric company shall pay each eligible customer-generator for the dollar value of any accrued net excess generation remaining at the end of the previous 12-month period ending with the billing cycle that is complete immediately prior to the end of April.
>
> (ii) Within 15 days after the date the eligible customer-generator that elects to accrue net excess generation under paragraph (5)(i)1 of this subsection closes the eligible customer-generator's account, the electric company shall pay the eligible customer-generator for the dollar value of any accrued net excess generation remaining at the time the eligible customer-generator closes the account**.**

See also PUA §7-306(f) (5) for certain provisions applicable to eligible customer generators who elect to accrue net excess generation for an indefinite period.

[10] 2023 Laws of Md., Ch. 458.

Eligible customer-generators may also benefit from less costly interconnections with the utility because of the use of only a single standard meter. The simplified interconnection allows the customer to use the renewable generator in a grid-connected manner without significant additional installation or operating expense. For larger commercial customers, interconnection sometimes requires a more expensive installation, the cost of which is required by utility tariffs to be recovered from the customer.

Table 1: Excess Generation Credit Payouts for the 12-month Period Ending April 30, 2024

Electric Utility	Residential	Commercial
Baltimore Gas and Electric Company	$1,929,722.47	$2,437,669.83
Potomac Electric Power Company	$1,848,606.51	$825,669.51
Delmarva Power & Light Company	$392,533.20	$1,413,734.51
The Potomac Edison Company	$77,704.52	$483,528.70
Southern Maryland Electric Cooperative, Inc.	$205,864.60	$8,428.80
Choptank Electric Cooperative	$152,273.66	$139,450.99
Easton Utilities Commission	$1,855.10	$12,793.80
Mayor and Council of Berlin	$1,824.37	$1,570.05
City of Hagerstown Light Department	$754.50	$0.00
Thurmont Municipal Light Company	$369.41	$489.17
Williamsport Municipal Electric Light Plant	$0.00	$0.00
State Total	**$4,611,508.34**	**$5,323,335.36**

Utilities implement the net energy metering operations authorized in PUA §7-306 through tariffs that are filed with the Commission. These tariffs place terms and conditions on net energy metering operations. These tariffs also include eligibility requirements that cap the maximum installed size of the renewable generator and the state-wide limit on net energy metering. Any statutory change requires each utility to revise its tariff and file the revision with the Commission.

Eligibility Cap

Electric companies are required to permit net metering for eligible customers. The aggregate limit on eligible renewable generation capacity in the state is 3,000 MW as of October 1, 2021, due to legislation that doubled the existing capacity limit of 1,500 MW. This limit represents approximately 18 percent of the peak demand in Maryland, which for 2024 was forecasted at 16,639 MW.[11] The generating capacity of an electric generating system used by an eligible customer-generator for net metering may not exceed 2 MW or 5 MW for a community solar energy generating system.[12]

Current Level of Renewable Deployment

The Commission Staff surveyed Maryland electric companies for the number of net-metered facilities currently operating in each electric company's distribution service territory. The total generation amount has increased from approximately 364 kW in 2007 to 1,210,933 kW through the end of June 2024.[13] **Table 2** below shows the results of the Commission Staff's survey of net-metered installations through June 30, 2024. For comparison, **Table 3**, shows the net-metered installations from the previously reported 12-month period ending June 30, 2023. In the 12 months since June 30, 2023, net metering capacity has increased by 188,713 kW, representing an 18.46 percent increase from the previously reported capacity, as shown in **Table 4.**

[11] *Ten-Year Plan (2021-2030) of Electric Companies in Maryland*, issued November 2021, Appendix Table 3(a)(i), page 32.
[12] PUA §7-306(g)(1). Please note that SB 0110/HB 0440 amended PUA §7-306 to allow Community Solar Energy Generating Systems to net meter up to 5 MW, effective October 1, 2022.
[13] The installed capacity referenced does not include installed community solar capacity.

Table 2: Net Metering Capacity as of June 30, 2024					
Electric Utility	**Solar (kW)**	**Wind (kW)**	**Biomass (kW)**	**Total (kW)**	**Total (MW)**
Baltimore Gas and Electric Company	524,200	101	0	524,302	524
Potomac Electric Power Company	315,733	78	0	315,811	316
Delmarva Power & Light Company	119,477	889	240	120,606	121
The Potomac Edison Company	127,095	7	256	127,358	127
Southern Maryland Electric Cooperative, Inc.	84,860	36	320	85,216	85
Choptank Electric Cooperative	32,479	353	30	32,863	33
Easton Utilities Commission	3,575	0	6	3,581	4
Mayor and Council of Berlin	591	0	0	591	1
Town of Hagerstown Light Department	323	0	0	323	0
Thurmont Municipal Light Company	255	0	0	255	0
Williamsport Municipal Light Plant	28	0	0	28	0
State Total	**1,208,617**	**1,465**	**852**	**1,210,933**	**1,211**

The amount of installed capacity has increased each year since the inception of Maryland's net metering program. **Table 4** shows the installed capacity and the growth rates

Table 3: Net Metering Capacity as of June 30, 2023					
Electric Utility	**Solar (kW)**	**Wind (kW)**	**Biomass (kW)**	**Total (kW)**	**Total (MW)**
Baltimore Gas and Electric Company	395,769	84	0	395,853	396
Potomac Electric Power Company	283,336	78	0	283,414	283
Delmarva Power & Light Company	114,581	889	240	115,710	116
The Potomac Edison Company	113,472	7	256	113,735	114
Southern Maryland Electric Cooperative, Inc.	77,557	36	320	77,913	78
Choptank Electric Cooperative	30,684	352	30	31,065	31
Easton Utilities Commission	3,381	0	6	3,387	3
Mayor and Council of Berlin	595	0	0	595	1
Town of Hagerstown Light Department	286	0	0	286	0
Thurmont Municipal Light Company	233	0	0	233	0
Williamsport Municipal Light Plant	28	0	0	28	0
State Total	**1,019,923**	**1,445**	**852**	**1,022,220**	**1,022**

relative to previous years for the five periods from 2020 through 2024. Capacity grew steadily through 2020 when the net installed capacity grew by 9.09 percent; for 2021, capacity growth fell to 8.37 percent; and for 2022, growth remained steady at 7.90 percent. From 2022 to 2023, capacity growth slowed to a 6.24 percent growth rate which then increased to an 18.46 percent growth rate in 2024.

Table 4: Net Metering Capacity Growth for the Previous Five Years			
Year end	**KW**	**KW Change**	**Percent Change**
30-Jun-24	**1,210,933**	**188,713**	**18.46%**
30-Jun-23	1,022,220	60,080	6.24%
30-Jun-22	962,140	74,340	8.37%
30-Jun-21	887,800	65,008	7.90%
30-Jun-20	822,792	68,566	9.09%

Recommendation on Eligibility Cap

As of June 30, 2024, the level of installed capacity was approximately 40 percent of the State's 3,000 MW cap.[14] Currently, the Commission does not view the 3,000 MW limit as a barrier to installing new renewable generation at this point, however, community solar growth may cause the limit to be reached sooner than current installed capacity levels indicate. The MNMWG and Commission Technical Staff will continue to monitor progression towards the net metering cap.

Net Metering Regulations COMAR 20.50.10

COMAR 20.50.10 promotes the deployment of net-metered facilities and simplifies the requirements for customer interconnection. The regulations address the allowed size for net metering eligibility as a multiple of customer load and establish aggregate net metering for agricultural, municipal, and non-profit customers. Under House Bill 1188, enacted during the 2023 legislative session and effective October 1, 2023, the list of eligible customer-generators expanded to include public senior higher education institutions, as defined in §10-101 of the

[14] The level of installed capacity referenced does not include installed community solar capacity.

Education Article.[15] COMAR sections 20.50.10.05 and 20.50.10.07 are subject to change in future rulemaking proceedings to implement the legislative changes to net metering delineated in House Bill 1188 and Senate Bill 143. On September 27, 2023, the Commission granted, by letter order, waivers of COMAR 20.50.10.05(E)(1) and 20.50.10.07(B) until updated regulations are published.

Eligible Customer Size. Under the regulations, a customer may participate in net metering using facilities that are sized to produce up to 200 percent of a customer's annual baseline kWh use.

Aggregate Net Metering. The aggregation of net-metered loads is accomplished by combining meter readings from multiple utility service points. Utilities can provide this service by using the physical interconnection of service points or by summing the total usage from two or more meters (virtual aggregation). Only certain types of customers are permitted to use this service. Agricultural, municipal (including county governments), and nonprofit entities *(e.g.,* churches or schools) are permitted to aggregate net-metered loads under the regulations. The Commission, in a recent letter order also clarified that federal agencies may participate in net metering aggregation.[16] Aggregation may provide increased incentives for system deployment by providing more significant economies of scale for installations and allowing a customer to make the most efficient use of existing solar or wind resources. An example of an agricultural application of aggregate net metering would be combining the load on a farm's barn, outbuildings, and residence. A solar array may be installed on a barn which would generally have excellent sun exposure, although it would use little electric power. Joining the load of the

[15] 2023 Laws of Md., Ch. 460.
[16] Letter Order, Maillog No. 311193.

residence (which may have less roof area or be in a shady location) and outbuildings to the load of the barn would make the installation more practical and cost-effective for the customer.

Table 5 below shows the number of pending projects, projects under construction,[17] and new projects operating for the Net Metering Aggregation Program reported by utilities as of June 30, 2024. In comparison to the previous Net Metering Report, there were 334 reported projects operating as of June 30, 2023; as of June 30, 2024, there are an additional 29 projects operating, totaling approximately 363 projects.

Table 5: Projects Pending, Under Construction, and New Projects for the Net Metering Aggregation Program as of June 30, 2024

Electric Utility	Projects Pending	Projects under Construction	New Projects
Baltimore Gas and Electric Company	6	60	12
Potomac Electric Power Company	0	0	0
Delmarva Power & Light Company	11	4	3
The Potomac Edison Company	2	0	1
Southern Maryland Electric Cooperative, Inc.	2	2	5
Choptank Electric Cooperative	7	4	4
Easton Utilities Commission	0	0	4
Mayor and Council of Berlin	0	0	0
Town of Hagerstown Light Department	0	0	0
Thurmont Municipal Light Company	0	0	0
Williamsport Municipal Light Plant	0	0	0
State Total	**28**	**70**	**29**

[17] Projects under construction have started but not completed installation and are not providing kWh credits to the aggregated accounts.

Community Solar Energy Generating Systems

During the 2015 legislative session, the General Assembly passed House Bill 1087 and its Senate Bill counterpart, SB398, requiring the Commission to develop a Pilot Program and report on a new type of net-metering, Community Solar Energy Generating Systems (CSEGS). HB1087/SB398 was signed into law in May 2015 and is codified at PUA §7-306.2. The law directed the Commission to establish a three-year pilot program and to report to the legislature on the results by 2019. During the 2019 legislative session, PUA §7-306.2 was amended to extend the Pilot through December 31, 2024, with capacity increasing annually.[18] The limit on the number of subscribers allowed for a given CSEGS was also removed with this legislation. On February 22, 2022, the Commission approved revisions to COMAR 20.62 pertaining to capacity, subscription coordinators, and specialized locations. On July 1, 2022, in its report on the CSEGS Pilot Program to the General Assembly, the Commission recommended a full cost-benefit analysis be conducted at the end of the Pilot. Additionally, the report recommended that the General Assembly consider maximizing low-and-moderate income (LMI) participation, coordinating potential CSEGS projects with electric companies for grid and market benefits, pairing CSEGS projects with energy storage to increase grid and market benefits, and other issues when considering future legislation.[19] House Bill 908, enacted during the 2023 legislative session, made the CSEGS pilot program permanent by amending PUA §7-306.2 and requires systems authorized under the new law to serve at least 40 percent of its energy output to low-income and moderate-income subscribers.

[18] HB683/SB520.
[19] Public Service Commission of Maryland, Report on the Community Solar Energy Generating System (CSEGS) Pilot Program, July 1, 2022.

The Maryland Net Metering Work Group, a Staff-facilitated stakeholder group, was reconvened in July 2015 to develop a program design to implement the CSEGS legislation. Following the development of the program parameters, the Commission established Rulemaking 56 (RM56) to codify the program.[20] Community solar regulations were adopted as final in July 2016 and participating utilities filed implementation tariffs in September 2016. Throughout the second half of 2016, the MNMWG worked to revise the utilities' proposed CSEGS tariffs to implement the new regulations. On February 15, 2017, the Commission issued a letter order directing each investor-owned utility to file revised tariffs and finalize program details. In addition, Staff and the MNMWG were directed to finalize application materials and report on program details applicable to the Pilot Program Study Plan. Through the fifth year of the Pilot, 349.07 MWs of capacity were offered under the net metering cap. The Pilot's capacity may be installed over a seven-year period with annual capacity allotments increasing over time. In addition to open systems, the program capacity includes categories for low- and moderate-income customers, small systems, rooftop systems, and installations on buildings and parking facilities. Implementation of the Pilot began in the second quarter of 2017 following the approval of Pilot participants.

In 2020, the RM56 rulemaking accepted changes to COMAR 20.62.02 which increased the statewide capacity to 3.25 percent of the 2015 Maryland peak demand in the fourth year (2021) and outlined further increases for years 5, 6, and 7 to implement the extension and expansion of the Pilot. The revised regulations also removed the 350-account limit on the number of accounts a subscriber organization may subscribe to for a given CSEGS. In the 2022 legislative session, the General Assembly passed Senate Bill 110/House Bill 440 which amended

[20] RM56, *Revisions to COMAR 20.62 - Community Solar Energy Generation Systems.*

PUA §7-306 and increased the maximum size of a Community Solar Energy Generating System from 2 MW to 5 MW, effective October 1, 2022.[21] **Table 6** shows the incremental authorized CSEGS capacity during the pilot phase. As stated, the Community Solar pilot program is rolled out over seven years with annual capacity allotments. Since the previous report, there have been 109 MW of accepted community solar projects and 43 MW of new projects operating as of June 30, 2024, reflected in **Table 7** below. There are approximately 204 MW of community solar projects currently operating in Maryland as of June 30, 2024.

Table 6: Incremental Authorized Community Solar Capacity Per Year (MW)

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
77.1	77.1	38.5	44.7	102.5	115.3	121.6

Table 7: Community Solar Capacity as of June 30, 2024

Electric Utility	Projects Accepted in 2024 (Not Operating)		New Projects Operating in 2024		Total Projects Currently Operating	
	Projects	MW	Projects	MW	Projects	MW
Baltimore Gas and Electric Company	48	82.81	16	21.84	63	86.71
Potomac Electric Power Company	10	8.60	1	2.00	31	30.94
Delmarva Power & Light Company	6	10.36	5	9.34	9	16.32
The Potomac Edison Company	6	7.46	5	10	36	69.62
State Total	**70**	**109**	**27**	**43**	**139**	**204**

As shown in **Table 8**, the electric companies credited a total of 211,782,867 kWh to CSEGS subscribers (electric customers of the four electric utilities listed above) over the 12-month period (ending June 30, 2024) and 467,453,582 kWh over the life of the program (2018 – June 2024).[22]

[21] Senate Bill 110 and House Bill 440 Electricity – Community Solar Energy Generating Systems – Net Energy Metering and Generating Capacity.
[22] The earliest community solar projects became operational in 2018.

Table 8: CSEGS kWh and Dollar Credits				
Electric Utility	**12-Month Period (Ending June 30, 2024)**		**Lifetime Amount**	
	Excess kWh	**Credits Paid**	**Excess kWh**	**Credits Paid**
Baltimore Gas and Electric Company	123,260,614	$19,928,607	278,060,271	$39,490,734
Potomac Electric Power Company	38,347,939	$6,960,679	71,759,117	$12,729,405
Delmarva Power & Light Company	17,875,542	$3,196,109	37,012,684	$6,223,609
The Potomac Edison Company	32,298,772	$0	80,621,510	$0
State Total	**211,782,867**	**$30,085,395**	**467,453,582**	**$58,443,748**

Electric companies have various methods for recovering revenues associated with the application of subscription credits to customer accounts. For example, Baltimore Gas and Electric Company (BGE) recovers customer distribution credits through its decoupling mechanism. Transmission and energy costs, which are offset through reduced sales, are recovered through the company's transmission rates and the Standard Offer Service (SOS) energy cost adjustment mechanism.[23]

Commission Staff estimates that, as a result of community solar, for the 12 months ending June 30, 2024, the average distribution bill impact for an average BGE residential customer is approximately $0.52 per month.[24] Based on current trends, the estimated maximum installed capacity for community solar projects in BGE's service territory is approximately 789 MW. Staff estimates that the distribution bill impact for residential BGE customers under the permanent program will be about $4.77 per month at the estimated maximum capacity.[25] The Potomac Electric Power Company (Pepco) and the Delmarva Power & Light Company

[23] CSEGs reduce energy demand and payments to Standard Offer Service suppliers and retail suppliers. The remaining energy cost true-up is performed through the energy cost adjustment mechanism.
[24] The monthly bill impacts are estimated using forecasted average consumption for residential customers for 2024. Average consumption for BGE schedule R is 880 kWh and 1,221 for schedule RL. For Pepco, average consumption is 772 kWh for schedule R and 1,296 for schedule RTM. For Delmarva, average consumption for schedule R is 977.
[25] Please note that future bill impacts are an estimate and are highly dependent on future growth rates of community solar and residential net metering.

(Delmarva) use similar recovery mechanisms to those used by BGE. Commission Staff estimates the current distribution bill impact of community solar to be approximately $0.55 monthly for an average Pepco residential customer and $1.50 monthly for an average Delmarva residential customer. Staff estimates the distribution bill impact for residential Pepco and Delmarva customers will be about $4.40 and $18.57 monthly, respectively, at the estimated maximum capacities of 249 MW for Pepco and 383 MW for Delmarva.[26] Unlike the other three investor-owned utilities, Potomac Edison (PE) applies a kWh reduction to subscribers' metered kWh use rather than bill credits. This results in a reduction in volumetric-based revenue which has the potential to be eventually recovered in base distribution and transmission rates from all customers.[27]

Other Issues

At this time, the Commission has not identified other matters relating to the net-metering eligibility limit that require the action of the General Assembly. However, the Commission will continue to monitor local and national renewable energy issues and determine if any tariff changes or new regulations are warranted.

[26] The current estimated maximum capacity for BGE, Pepco, and Delmarva reflects the estimated capacity attributable to community solar at the 3,000 MW statewide cap using the existing proportions of community solar capacity in each service territory. Delmarva's bill impact is higher because of higher levels of community solar capacity in its territory relative to its size.

[27] Distribution costs related to subscriber distribution credits may eventually be recovered through distribution rates depending on when distribution rates are changed through a rate case. PE does not have distribution revenue decoupling. Subscriber energy credits reduce sales by Standard Offer Service suppliers largely offsetting costs with any remaining true up performed through an energy cost adjustment mechanism. Please note that future bill impacts are highly dependent on future participation levels and potential changes in distribution rates.