

ORDER NO. 91984

H.R.1, Public Law No: 119-21

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

Administrative Docket
PC 73

ORDER ON OBBBA RECOMMENDATIONS
FOR RENEWABLE GENERATION IN MARYLAND

Before: Frederick H. Hoover, Jr., Chair
Kumar P. Barve, Commissioner
Bonnie A. Suchman, Commissioner
Odogwu Obi Linton, Commissioner
Ryan C. McLean, Commissioner

Issue Date: November 14, 2025

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On July 4, 2025, the President of the United States signed into law H.R. 1, 119th Congress (2025-2026) (the “OBBBA”).¹ The OBBBA implements a wide range of changes across multiple sectors of federal law and policy, including taxes, healthcare, welfare, and energy. Thereafter, on July 29, 2025, the Commission initiated the instant public conference, recognizing that with the passage of the OBBBA, the development of clean and renewable generation in Maryland may be impacted through the loss of certain federal tax credits beginning in 2026 and 2027. The OBBBA also imposes restrictions on the use of foreign-supplied components in the supply chain for clean energy facilities or products (*e.g.*, wind, solar, and battery components), and increases those restrictions annually from 2026 through 2030, which can also impact tax credits. These federal changes, together with President Trump’s July 7, 2025 Executive Order 14315 mandating the U.S. Treasury to strictly enforce the termination of certain federal tax credits for wind and solar energy, and the associated guidance provided in Treasury Notice 2025-42, stand to have a profound effect on Maryland’s clean energy landscape.

I. BACKGROUND

In its July 29, 2025 Notice Convening a Public Conference and Request for Comments,² the Commission expressed the goal of understanding stakeholder concerns relating to existing regulatory or utility requirements that may hinder the development of clean and/or renewable energy projects in view of the recent changes in federal law. The Commission posed four problem statements to solicit data, comment, and potential recommendations from interested stakeholders regarding measures that can be taken to

¹ “OBBBA” is the acronym for the “One Big Beautiful Bill Act of 2025.”

² Docket Item No. 1.

help expedite renewable energy development in the State and enable such projects to take advantage of federal tax credit opportunities before they expire. The four statements were:

- (1) Community solar program projects may request a waiver of Code of Maryland Regulations (“COMAR”) for an extension of construction and operation deadlines. In what situations is there a risk that granting an extension of a project’s construction and operation deadline may impact the speed of deployment (*e.g.*, interconnection) of other generation projects? If risks are identified, what actions should be taken to mitigate the risks to other projects being delayed in their development?;
- (2) Are there certain COMAR requirements, Commission orders or other regulatory requirements and timelines the Commission or other State agencies should consider modifying or waiving temporarily to ensure deployment of renewable generation and energy storage systems in a timely manner to minimize loss of new resource development due to the changes in federal law?;
- (3) Are there certain utility requirements, processes, or program enrollment prerequisites that could be modified or waived temporarily to ensure deployment of generation and energy storage systems in a timely manner to minimize loss of new resource development due to the changes in federal law?; and
- (4) Are there other concerns not covered by the previous three problem statements where change can be implemented by the Commission or utilities to ensure deployment of generation and energy storage systems in a timely manner to minimize loss of new resource development due to the recent changes in law?

Twenty-one stakeholders filed initial comments by August 18, 2025, of which 13 comments were filed by clean energy companies and their trade associations, including the Coalition for Community Solar Access (“CCSA”), Solar Energy Industries Association (“SEIA”), and Chesapeake Solar and Storage Association (“CHESSA”) (jointly filing as

the “Solar Parties”); Maryland Rooftop Solar Coalition (“MRSC”); Lightstar Renewables, LLC (“Lightstar”); Solar Landscape; Halo Energy (“Halo”); NineDot Energy, LLC (“NineDot”); Lodestar Energy (“Lodestar”); Distributed Sun; Soltage, LLC and Soltage MD DevCo, LLC (“Soltage”); TurningPoint Energy (“TPE”); Chaberton Energy Holdings, LLC (“Chaberton”); New Columbia Solar, LLC (“NCS”); and CleanCapital.³ Five government agencies and officials filed initial comments, including the Maryland Energy Administration (“MEA”), Department of Natural Resources, Power Plant Research Program (“PPRP”), Office of People’s Counsel (“OPC”), the Commission’s Technical Staff (“Staff”), and Howard County.⁴ Additionally, two utility parties—The Potomac Edison Company (“Potomac Edison”), and the Joint Maryland Exelon Utilities (comprising Baltimore Gas and Electric Company, Potomac Electric Power Company, and Delmarva Power & Light Company) (“JMEU”)—filed initial comments, as did the Sierra Club.⁵

Eight parties subsequently filed reply comments by September 2, 2025, including the Solar Parties; Solar Landscape; TPE; the JMEU; PPRP; Staff; the Interstate Renewable

³ Docket Item No. 6, CCSA, SEIA, and CHESSA (“Solar Parties Initial Comments”); Docket Item No. 7, Maryland Rooftop Solar Coalition (“MRSC Initial Comments”); Docket Item No. 2, Lightstar Renewables, LLC (“Lightstar Initial Comments”); Docket Item No. 4, Solar Landscape (“Solar Landscape Initial Comments”); Docket Item No. 5, Halo Energy (“Halo Initial Comments”); Docket Item No. 8, NineDot Energy, LLC (“NineDot Initial Comments”); Docket Item No. 12, Lodestar Energy (“Lodestar Initial Comments”); Docket Item No., 16, Distributed Sun (“Distributed Sun Initial Comments”); Docket Item No. 24, Soltage, LLC and Soltage MD DevCo, LLC (“Soltage Initial Comments”); Docket Item No. 19, TurningPoint Energy (“TPE Initial Comments”); Docket Item No. 21, Chaberton Energy Holdings, LLC (“Chaberton Initial Comments”); Docket Item No. 22, New Columbia Solar, LLC (“NCS Initial Comments”); and Docket Item No. 17, CleanCapital (“CleanCapital Initial Comments”).

⁴ Docket Item No. 9, Maryland Energy Administration (“MEA Initial Comments”); Docket Item No. 10, Department of Natural Resources, Power Plant Research Program (“PPRP Initial Comments”); Docket Item No. 13, Office of People’s Counsel (“OPC Initial Comments”); Docket Item No. 20, the Commission’s Technical Staff (“Staff Initial Comments”); and Docket Item No. 3, Howard County (“Howard County Initial Comments”).

⁵ Docket Item No. 14, The Potomac Edison Company (“PE Initial Comments”); Docket Item No. 15, Joint Maryland Exelon Utilities (“JMEU Initial Comments”); and Docket Item No. 11, Sierra Club (“Sierra Club Initial Comments”).

Energy Counsel (“IREC”); and a coalition representing the Maryland League of Conservation Voters, the Center for Progressive Reform, and Earthjustice (“MLCV Coalition”).⁶

The Commission held a legislative-style public hearing on September 8, 2025, featuring 29 presenters from 12 parties on the subjects discussed in the stakeholder comments. Following the hearing, the Commission received supplemental comments from eight parties, including the Solar Parties; Chaberton; the JMEU; Potomac Edison; PPRP; Solar Landscape; Staff; and TPE.⁷

The Commission appreciates the broad stakeholder engagement in this proceeding and the insightful perspectives offered through the parties’ written and oral comments. The Commission has reviewed the feedback and recommendations offered. This Order provides further direction as appropriate. Given the compressed timeframes arising from recent changes in federal law and policy, the Commission asks the parties to work cooperatively to implement the meaningful process improvements discussed herein to promote the deployment of renewable generation and maximize their eligibility for federal tax incentives before they phase out.

⁶ Docket Item No. 26, Solar Parties (“Solar Parties Reply Comments”); Docket Item No. 31, Solar Landscape (“Solar Landscape Reply Comments”); Docket Item No. 33, TPE (“TPE Reply Comments”); Docket Item No. 29, JMEU (“JMEU Reply Comments”); Docket Item No. 27, PPRP (“PPRP Reply Comments”); Docket Item No. 30, Staff (“Staff Reply Comments”); Docket Item No. 32, Interstate Renewable Energy Counsel (“IREC Reply Comments”); and Docket Item No. 28, Maryland League of Conservation Voters, Center for Progressive Reform, and Earthjustice (“MLCV Coalition Reply Comments”).

⁷ Docket Item No. 39, Solar Parties (“Solar Parties Supplemental Comments”); Docket Item No. 45, Chaberton (“Chaberton Supplemental Comments”); Docket Item No. 40, JMEU (“JMEU Supplemental Comments”); Docket Item No. 38, Potomac Edison (“PE Supplemental Comments”); Docket Item No. 41, PPRP (“PPRP Supplemental Comments”); Docket Item No. 46, Solar Landscape (“Solar Landscape Supplemental Comments”); Docket Item No. 42, Staff (“Staff Supplemental Comments”); and Docket Item No. 43, TPE (“TPE Supplemental Comments”).

II. ISSUES FOR DISCUSSION

The various stakeholders provided significant feedback in written and oral comments in response to the Commission’s problem statements. This Order will address below the major issues identified from the parties’ comments and recommendations—as highlighted by specific stakeholders—without attempting to summarize each individual party’s position (and counterarguments) due to the volume of comments received:

- (1) Subscriber Organization ID Prerequisite;
- (2) Interconnection Ombudsperson;
- (3) Enforcement of Interconnection Deadlines;
- (4) Reporting on Interconnection Compliance;
- (5) Parallel Construction;
- (6) Extension of CSEG Operational Deadlines;
- (7) Clarification of “Minor Equipment Modification”;
- (8) Flexible Interconnection;
- (9) Rooftop Solar Interconnection;
- (10) Distributed Generation CPCN Process;
- (11) Expedited CPCN Review;
- (12) Solar Decommissioning Standardization Issues;
- (13) Per-Service Territory Net Metering Cap;
- (14) Energy Storage Request for Proposals;
- (15) Utility Resources to Accommodate Interconnection Applications;
- (16) Notification of Expiring Federal Energy-Related Benefits;
- (17) Interconnection Upgrade Cost-Sharing;
- (18) Timely Invoicing of Interconnection Costs;
- (19) Elimination of Level 4 Facilities Studies;
- (20) Pre-Application Interconnection Report Requirements;
- (21) Aggregate Circuit Capacity Limits; and
- (22) Other Interconnection Process Changes/Improvements.

1. CSEG Subscriber Organization ID Prerequisite

a. Positions of the Parties

The community solar companies and associations raise concerns around the current requirement that prospective Community Solar Energy Generating System (“CSEG”)

projects must first obtain a Commission-issued Subscriber Organization ID (“SOID”) prior to applying for utility interconnection.⁸ Under this regime, a project typically must wait months before receiving Subscriber Organization (“SO”) approval, only to then start the lengthy interconnection process with the utility.⁹ The Solar Parties, in particular, argue the current SOID process represents a significant time delay that pushes out a project’s interconnection process and “eschews best practices.”¹⁰ They note that other states with community solar do not have this requirement and instead “require a project to progress further with development (interconnection and permitting) before being considered in a program.”¹¹ To address this inefficiency and further optimize the SO process, these parties recommend that CSEGs be allowed to apply for interconnection prior to receiving their SOID.

The utilities maintain that the current SOID requirement prevents speculative projects from tying up the queue and ensures that developers do not violate co-location rules. The JMEU propose to process CSEG interconnection applications concurrently with the Commission’s SOID process, up through a conditional approval upon which the JMEU would hold the application until Staff issues the required SOID.¹² Potomac Edison does not oppose running CSEG interconnection applications concurrently with the SOID review but cautions this will not change the time needed to process the interconnection requests. Potomac Edison further recommends that utilities not be required to condition the

⁸ See e.g., Chaberton Initial Comments at 3-4; CleanCapital Initial Comments at 3; Lodestar Initial Comments at 2; TPE Initial Comments at 5-6; Solar Landscape Initial Comments at 2-3; Solar Parties Initial Comments at 8-9; and NCS Initial Comments at 2.

⁹ See e.g., Solar Parties Initial Comments at 8 and Lightstar Initial Comments at 3.

¹⁰ Solar Parties Initial Comments at 8.

¹¹ *Id.*; see also, Chaberton Initial Comments at 3.

¹² JMEU Supplemental Comments at 2.

completion of their interconnection review on the outcome of Staff’s review of the SOID application, as it would “add complexity and risk to the process.”¹³ However, a Commission-issued SOID should be required before the CSEG project can enter the utility’s community solar program.¹⁴

Staff and OPC support a concurrent process for SOID and interconnection applications.¹⁵

b. Commission Decision

The Commission agrees with the parties that there is good cause to waive the existing tariff requirement that CSEG projects must first obtain an SOID before applying for utility interconnection. The new construction and in-service deadlines mandated under the OBBBA expose CSEG projects to significant development risk if current delays inadvertently caused by the SOID registration process are not mitigated. Therefore, the Commission waives this tariff requirement until the end of 2027. The Commission will allow CSEG projects to apply for SOID and utility interconnection concurrently. The Commission will not require proof of SOID issuance to complete the interconnection process. However, proof of SOID will be required for entry into the utilities’ community solar programs. Accordingly, the Commission directs the Net Metering Working Group to develop new tariff language that incorporates a concurrent process, as discussed herein, as soon as practicable but no later than within 90 days of this Order. The utilities shall revise their tariffs in accordance with the new tariff language.

¹³ PE Supplemental Comments at 3.

¹⁴ *Id.* at 4.

¹⁵ Staff Supplemental Comments at 1-2; and Hearing Transcript (“Hr’g. Tr.”) at 213:2-8, Sept. 8, 2025 (Baskin).

The Commission recognizes this process change may present near-term challenges, including adverse impacts to utility interconnection resources. The Commission therefore directs the Net Metering Working Group to develop recommendations on whether financial deposits and/or penalties for SOID applications deemed ineligible (*e.g.*, for co-location or forest cover violations) are warranted.

2. Interconnection Ombudsperson

a. *Positions of the Parties*

The Solar Parties and CleanCapital recommend the Commission establish an interconnection ombudsperson within the Commission to oversee utility compliance, track queue performance and recurring interconnection issues, and assist with timely resolution of conflicts between the developer and the utility.¹⁶ Those parties contend the neutral ombudsperson would enhance transparency, ensure the consistent application of interconnection rules, and improve accountability across the interconnection process. OPC aligns with the Solar Parties and supports the designation of a Commission interconnection ombudsperson to help streamline the informal dispute resolution process, improve accountability, and provide clarification regarding utility interconnection obligations.¹⁷

Staff generally supports proposals that aim to improve accountability and efficiency. In this regard, however, Staff believes the creation of a new ombudsperson would be duplicative insofar as existing support mechanisms are already available to Subscriber Organizations. COMAR 20.50.09.13 delegates interconnection dispute resolution to the Commission's Engineering Division. The rules also require the utility to

¹⁶ Solar Parties Initial Comments at 13 and CleanCapital Initial Comments at 4.

¹⁷ OPC Initial Comments at 16.

designate a company representative to serve as a point of contact for projects, who can also refer developers to appropriate utility personnel to facilitate the resolution of interconnection issues.¹⁸ Staff further notes that developers routinely engage with Staff members, including the Net Metering Working Group leadership, to address various issues, including construction, metering, and tariff concerns.¹⁹ If an interconnection ombudsperson is established, Staff strongly recommends the position remain with Staff.

b. Commission Decision

The Commission finds the concept of a neutral interconnection ombudsperson may have merit. Although COMAR interconnection requirements and Staff resources already provide a level of support to Subscriber Organizations, the Commission agrees that there may be additional ways to streamline the interconnection process, including ways to efficiently resolve interconnection issues before they progress to protracted formal complaints. Establishing a dedicated ombudsperson to oversee interconnection compliance, facilitate fast, informal dispute resolution of interconnection issues, and enhance data transparency could accomplish this objective. The Commission will therefore explore the designation of such an individual within the Commission.

3. Enforcement of Interconnection Deadlines

a. Positions of the Parties

Several parties point out that the utilities often do not adhere to COMAR-prescribed timeframes for interconnection and project studies.²⁰ Consequently, developers cannot plan

¹⁸ Staff Supplemental Comments at 2-3.

¹⁹ *Id.* at 3.

²⁰ *See e.g.*, Solar Parties Initial Comments at 6; Soltage Initial Comments at 1-2 (noting Delmarva's non-compliance with COMAR 20.50.09.12E, which has delayed projects from coming online in a timely manner);

projects effectively or secure financing when studies drag on and cost letters arrive months late.²¹ Lodestar indicates it has active interconnection applications still pending utility “technical review” for over six months without receiving scoping calls or other feedback on project feasibility.²² If utilities maintained the required timelines under COMAR, developers would have greater certainty in forecasting development schedules to aid their decision-making.²³ The solar trade associations therefore request that the Commission reaffirm the utilities’ obligation under COMAR and require strict adherence to COMAR interconnection timeframes, with penalties for missed deadlines and corrective action plans.²⁴ The Solar Parties also recommend the Commission direct the utilities to submit monthly reports documenting their compliance with these timelines.²⁵ Chaberton further recommends the Commission direct the utilities to identify why they have been unable to meet the COMAR timeframes.²⁶ To align Maryland with interconnection processes in other states, TPE suggests the Commission should require utilities to include binding construction timelines in executed interconnection agreements, including specific milestones.²⁷

PPRP and MEA also stress the utilities’ adherence to COMAR interconnection timeframes. PPRP recommends greater transparency and accountability regarding the utilities’ interconnection processes.²⁸ Utilities can provide developers with greater

Lodestar Initial Comments at 2; Solar Landscape Initial Comments at 3; and Chaberton Initial Comments at 5.

²¹ Hr’g. Tr. at 19:7-11 (Hendricks).

²² Lodestar Initial Comments at 2.

²³ *Id.* at 2.

²⁴ Solar Parties Initial Comments at 3 and Solar Landscape Initial Comments at 3.

²⁵ Solar Parties Initial Comments at 7.

²⁶ Chaberton Initial Comments at 5.

²⁷ TPE Initial Comments at 7-8.

²⁸ PPRP Initial Comments at 2.

certainty of a timely interconnection if they are more vigilant in complying with COMAR interconnection timeframes.²⁹ As a long-term measure, MEA recommends amending COMAR 20.50.09 to establish binding timelines for feasibility studies, impact studies, and final approvals.³⁰

The utilities defend their practices and note that they are adding interconnection staff and other resources.³¹ The JMEU generally disagree with the commenters' allegation that the utilities' compliance with COMAR interconnection timelines is a major factor in project delays.³² Citing their annual reports filed in Case No. 9778, the JMEU counter that they have, in fact, achieved a high level of adherence with COMAR interconnection timelines. They argue their compliance with COMAR timelines is not the primary cause of generating facility construction delays.³³ During the September 8 hearing, the JMEU noted that missed deadlines are sometimes caused by developers who miss deadlines or fail to provide utility-requested information.³⁴ Nevertheless, the utilities agree to partner with stakeholders to identify sources of construction delays and evaluate feedback as they adapt to bring new renewable resources to the grid.³⁵

b. Commission Decision

The Commission is deeply troubled by what appears to be a consensus of the solar trade associations that several utilities are routinely non-compliant with COMAR

²⁹ *Id.* at 3.

³⁰ MEA Initial Comments at 3.

³¹ See JMEU Reply Comments at 2-4; PE Supplemental Comments at 4 (cautioning that onboarding new resources will not necessarily result in immediate improvements in timelines); and Hr'g. Tr. at 139:5-9 (Michel).

³² JMEU Reply Comments at 2-3.

³³ *Id.* at 3-4.

³⁴ Hr'g. Tr. at 123:14 - 124:4 (McLean and Michel).

³⁵ JMEU Reply Comments at 4.

timeframes for completing interconnection studies. Given the compressed eligibility window for expiring federal Investment Tax Credit (“ITC”) incentives, every missed deadline could affect whether a project can move forward or not. The data provided by Soltage outlining its real-experience utility interconnection study timelines evidences a history of long interconnection study timeframes that far exceed any timely completion of Level 4 interconnection activities under COMAR 20.50.19.12. While the JMEU claim to have met required deadlines for issuing “approvals to install” and “authorizations to operate” between 84 percent and 100 percent across their Maryland territories, we question whether those metrics effectively register where the delays are actually occurring.³⁶

The Commission is persuaded by the solar community’s call for stricter enforcement of COMAR timeframes, although the Commission declines to initiate a show cause proceeding at this time. The purpose of this proceeding is to understand, and address where possible, the significant barriers to deploying renewable resources quickly. Should the Commission appoint an interconnection ombudsperson, *supra*, we would expect this individual to improve utility accountability by mediating their adherence to COMAR study timeframes. This potential new role notwithstanding, the Commission directs the JMEU and Potomac Edison to each file a report within 45 days of this Order explaining the cause(s) of any missed interconnection deadlines as reported in their 2023 and 2024 Annual Small Generator Interconnection Reports, pursuant to COMAR 20.50.09.14C(3).³⁷ In this filing, the utilities shall also include the year-to-date data for 2025, through the end of Q3,

³⁶ See Hr’g. Tr. at 20:1-9 (Hendricks).

³⁷ COMAR 20.50.09.14C(3) requires the utilities’ Annual Small Generator Interconnection Report to include, among other things, “[t]he number of interconnection requests that were not processed within the deadlines established for Level 1, Level 2, Level 3, and Level 4 reviews and permission to operate notices in this chapter....”

and are directed to explain the cause of differences in trends between the yearly data sets (*i.e.*, 2023 vs. 2024 vs. 2025 YTD). The utilities shall explain what corrective actions are being taken to improve their adherence to the COMAR 20.50.09.12 study timeframes.

Regarding TPE's request for interconnection agreement milestones, COMAR 20.50.09.12F(4) already contemplates incorporating milestones in interconnection agreements. Specifically, COMAR 20.50.09.12F(4) provides as follows:

After the interconnection agreement is signed by the applicant and utility, interconnection of the small generator facility shall proceed according to any milestones agreed to by the applicant and utility in the interconnection agreement.

Amending this regulation would be too lengthy a process to be practical under the circumstances. While the Commission does not discount future amendments to COMAR, we seek to learn more about any alleged missed agreement milestones. Therefore, the Commission directs the utilities to include with the above-described interconnection deadline submission a report on missed milestones in their interconnection agreements, with an explanation of the cause. This report shall only apply to front-of-the-meter community solar.

4. Reporting on Interconnection Compliance

a. Positions of the Parties

Several stakeholders recommend enhanced utility reporting on interconnection queues and compliance. The parties are divided on the cadence of this reporting, with the Solar Parties, TPE, and Chaberton requesting that the utilities submit monthly reports on their compliance with interconnection deadlines.³⁸ Other parties, including Soltage and

³⁸ Solar Parties Initial Comments at 3; TPE Initial Comments at 4; and Chaberton Initial Comments at 7.

PPRP, recommend that the utilities be required to submit quarterly reports.³⁹ The solar industry participants point to deficiencies in the utilities' Small Generation Interconnection Reports, as currently filed, noting the omission of data on whether the utilities have met deadlines for scoping calls, various studies, and the issuance of interconnection agreements.⁴⁰ To ensure greater transparency in the process, they recommend that the utilities' reports include more detailed information such as project interconnection queue information, how the utilities are meeting or not meeting COMAR interconnection timelines, and what utilities will do to meet those requirements going forward.⁴¹

The utilities agree to temporarily increase their interconnection reporting to quarterly reporting through the end of 2027, when the federal tax credits are set to expire. However, they caution against adopting new reporting requirements at this time insofar as the same company resources responsible for administering their interconnection process would also be responsible for implementing any new reporting requirements.⁴² To avoid introducing new burdens on existing resources, the companies offer to report more frequently on the interconnection metrics they are currently required to track under COMAR to accommodate the commenters' request for greater insight into utility processes and queues.⁴³ Potomac Edison further recommends allowing "the PC44 DER Interconnection Work Group to continue its collaborative effort to propose new queue

³⁹ Soltage Initial Comments at 3 and PPRP Initial Comments at 3 and 5.

⁴⁰ Solar Parties Initial Comments at 6-7.

⁴¹ *Id.* at 6.

⁴² PE Supplemental Comments at 2 and JMEU Supplemental Comments at 6.

⁴³ JMEU Supplemental Comments at 6.

reporting requirements that achieve [the] balance [between providing public information and maintaining processing timelines].”⁴⁴

b. Commission Decision

The Commission will accept the utilities’ consent to shift to quarterly reporting, beginning with the reports due for this quarter (2025Q4). While the Commission understands the non-utility parties’ rationale for seeking more granularity in these interconnection reports, the Commission agrees with the companies that arbitrarily imposing additional reporting requirements—without first understanding the specific information needed to better advance renewable generation deployment—could prove overburdensome and ultimately undermine the goals of this proceeding. Therefore, for this transition, the utilities need only report on the interconnection metrics they are currently required to include in their annual reports. Per their consent, the Commission directs the utilities to continue this more frequent cadence of reporting while the federal tax credits remain in effect through the end of 2027.

The Commission is supportive of the parties’ desire to enhance transparency in the interconnection process. To the extent the PC44 Interconnection Work Group has discussed what level of granularity should be included in the utilities’ interconnection queue reports, the Commission directs the Work Group to continue those discussions and address the appropriate format for sharing that information publicly.⁴⁵ The Work Group

⁴⁴ PE Supplemental Comments at 2 (referencing PC 44, *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*).

⁴⁵ NineDot and OPC recommended that the utilities provide their interconnection queues in downloadable spreadsheet formats with specific information to improve transparency and speed project analysis. NineDot Initial Comments at 4 and OPC Initial Comments at 15-16.

shall submit its recommendations as soon as possible but no later than 90 days from the date of this Order.

5. Parallel Construction

a. *Positions of the Parties*

Among the recommendations to reform specific utility processes and practices, the solar trade associations request that the utilities allow the parallel construction of solar projects concurrently with distribution system upgrades.⁴⁶ They explain that utilities in some jurisdictions in the State currently require solar project developers to complete on-site construction prior to the start of any necessary distribution system upgrades.⁴⁷ This sequential practice results in months of purportedly avoidable delays, to the detriment of renewable deployment. By contrast, allowing parallel construction will expedite project development timelines ahead of the new ITC deadlines and align Maryland with best practices in many states.⁴⁸

The JMEU state that they currently conduct the practice of parallel construction, allowing developers “to construct customer-owned interconnection facilities in concert with the utility constructing the utility-side interconnection facilities.”⁴⁹ The JMEU clarify a mischaracterization of their existing process. For primary voltage upgrades, the JMEU allow construction of distribution system upgrades to start before the utilities receive final certification of local electrical inspection. This certification is required before the JMEU

⁴⁶ Solar Parties Initial Comments at 9-10; Solar Landscape Initial Comments at 3; Lodestar Initial Comments at 2; Soltage Initial Comments at 4; and CleanCapital Initial Comments at 5.

⁴⁷ CleanCapital Initial Comments at 5; Soltage Initial Comments at 4; and Solar Landscape Initial Comments at 3.

⁴⁸ Solar Landscape Initial Comments at 3 and Solar Parties Initial Comments at 10.

⁴⁹ JMEU Supplemental Comments at 6.

can energize the service.⁵⁰ For small, secondary voltage upgrades, the local electrical inspection must be completed before utility-side work can start because the certification provides documentation that the solar-side electrical work was completed according to the National Electrical Code.⁵¹ The JMEU agree to continue offering this parallel construction practice, but they cannot energize a solar system until final approvals are obtained from local inspectors.

Staff acknowledges parallel construction as a promising efficient measure that should be referred to the Interconnection Working Group for technical review to ensure safety and grid reliability.⁵²

b. Commission Decision

Parallel construction of solar facilities concurrently with utility-side system upgrades is not prohibited under COMAR, nor do the Commission's rules prevent a developer from constructing interconnection facilities by agreement with the utility.⁵³ With the expiration of federal ITC incentives on the horizon, the Commission is concerned that renewable energy deployment will be unnecessarily hindered in some jurisdictions with months of delay that can be avoided by allowing simultaneous construction of developer-side projects alongside utility-side upgrades. Maryland's clean and renewable energy goals can ill afford to wait for these projects to progress through a protracted, sequential process at the expense of capturing these critical incentives. Where the utilities already offer parallel third-party construction, the Commission expects that practice will continue with

⁵⁰ JMEU Reply Comments at 6-7.

⁵¹ *Id.* at 7.

⁵² Staff Reply Comments at 5 and 8.

⁵³ *See* COMAR 20.50.09.12E(3)(c).

the highest urgency of advancing project deployment while maintaining the safety and reliability of the grid. It is unclear from this record whether Potomac Edison currently offers parallel construction. Therefore, the Commission directs Potomac Edison to develop a path forward to offering parallel construction if that practice does not currently exist.

The examples provided during this proceeding of project delays caused by certain utilities requiring third-party project completion before starting utility-side upgrade work reflect a practice that is inconsistent with our intent for this proceeding as well as COMAR 20.50.09.12E(3)(c). Going forward, the Commission expects the utilities and developers to work collaboratively to mitigate obstacles in effectuating parallel construction. The Commission will consider making the offering of parallel construction mandatory if there is no improvement in this area.

6. Extension of CSEG Operational Deadlines

a. *Positions of the Parties*

The stakeholder parties generally agree that there is minimal risk associated with continuing the Commission's current practice of granting extensions of construction and/or operational deadlines for CSEG projects.⁵⁴ Commenters point out the transition of the former Community Solar Pilot Program to a permanent program in 2023 effectively eliminated any Commission-imposed programmatic capacity limits on community solar participation,⁵⁵ thereby eliminating the associated risks that previously existed under the pilot program. Some parties note, however, there may be instances in which a community

⁵⁴ See e.g., CCSA/CHESSA/SEIA Initial Comments at 5; Solar Landscape Initial Comments at 1-2; Halo Energy Initial Comments at 2; OPC Initial Comments at 5-6; Staff Initial Comments at 3. See also, JMEU Initial Comments at 2-3 (explaining that granting an extension to a project that is still viable and making reasonable progress toward completion would not impact other projects).

⁵⁵ See e.g., PE Initial Comments at 1.

solar project seeking an extension of time for construction or energization could impact the utility's interconnection process.⁵⁶ Even so, they largely agree that the Commission's practice of granting community solar project extensions for good cause should be continued.

To mitigate impacts on the utilities' interconnection queues, some parties recommend that CSEG developers be required to pay a financial deposit to the utilities for projects seeking an extension of time to interconnect.⁵⁷ Other parties recommend granting construction and operational deadlines only to CSEG projects in advanced stages of development.⁵⁸ Potomac Edison recommends that utilities be required to remove CSEG projects from the interconnection queue if they fail to meet their operational deadline without filing for an extension.⁵⁹

b. Commission Decision

The Commission need not address this existing practice here and will continue to consider each extension request upon receipt. The Commission will refer the questions of a financial deposit and whether to remove time-expired projects from the queue to the Interconnection Work Group for further discussion and any recommendations as appropriate, including requiring deposits on a case-by-case basis.

⁵⁶ See e.g., OPC Initial Comments at 5; Staff Initial Comments at 3; and PE Initial Comments at 1.

⁵⁷ Distributed Sun Initial Comments at 1; TPE Initial Comments at 3; and Staff Reply Comments at 2.

⁵⁸ MEA Initial Comments at 2 and Solar Parties Initial Comments at 5.

⁵⁹ PE Initial Comments at 2.

7. Clarification of “Minor Equipment Modification”

a. *Positions of the Parties*

Several of the solar trade association parties request clarification and expansion of the definition of “minor equipment modification” under COMAR 20.50.09.06D to include *inter alia* downsizing, like-for-like equipment substitutions, and inverter changes without requiring a full interconnection re-study or new application.⁶⁰ A re-study or restart of the interconnection process would significantly lengthen the time to interconnect a project.⁶¹ OPC also agrees that decreasing project interconnection capacity should be characterized as a “non-material modification.”⁶²

MEA supports amending COMAR to enable downsized capacity options for CSEG and other distributed generation projects without restarting the interconnection queue process.⁶³ MEA contends that allowing projects to interconnect at a reduced but technically feasible capacity—without requiring re-queuing—would reduce development risk, improve queue efficiency, and allow more projects to capture federal tax incentives.⁶⁴

At the hearing, the JMEU discussed the bespoke nature of various modification requests, including capacity reductions, and their impact on the interconnection queue.⁶⁵ They explained that downsizing capacity is not always treated as a material modification requiring a restudy; but downsizing that could have a downstream impact would count as

⁶⁰ Solar Parties Initial Comments at 7; TPE Initial Comments at 8-9; and Soltage Initial Comments at 3.

⁶¹ TPE Initial Comments at 8.

⁶² Docket Item No. 36, OPC Response to Bench Data Request No. 1 to OPC at 2 (Sept. 15, 2025) (noting further that the New York Department of Public Service’s interconnection guidance typically considers “[a] change in reading the AC output or nameplate rating of the generating facility” to be a non-material modification).

⁶³ MEA Initial Comments at 3.

⁶⁴ *Id.*

⁶⁵ Hr’g. Tr. at 115:10 - 116:1 (Sackey) and 126:6 - 127:7 (McLean and Alston).

“material.”⁶⁶ Furthermore, the JMEU support allowing a developer to make small project scope changes without requiring resubmission of the interconnection application.⁶⁷

b. Commission Decision

The solar stakeholders’ concern around the use of “minor equipment modifications” warrants further clarification of the term. Under COMAR, once an interconnection request is determined to be complete, any material modification other than a “minor equipment modification” will require the generator developer to submit a new interconnection request, unless the utility has agreed to that modification.⁶⁸ COMAR defines “minor equipment modification” to mean “a change to the proposed small generator facility that does not have a significant impact on safety or reliability of the electric distribution system.”⁶⁹ The Commission clarifies here its intent that this definition should be read broadly to include the types of modifications the solar companies aver should not require a restart to the application process or restudy. To adopt a rigid and narrow interpretation of the term as to exclude all capacity downsizing or equivalent equipment substitutions would defeat the goal of this proceeding. This clarification does not render nugatory the condition that a minor change should not significantly impact the grid.

⁶⁶ *Id.* at 116:18 - 117:5 (Sackey).

⁶⁷ JMEU Reply Comments at 8.

⁶⁸ COMAR 20.50.09.06D.

⁶⁹ COMAR 20.50.09.02B(39).

8. Flexible Interconnection

a. *Positions of the Parties*

Certain stakeholder parties request that the Commission create a broader framework for flexible interconnection to allow projects, especially solar-plus-storage projects, to interconnect at full nameplate capacity while temporarily restricting output until needed upgrades are completed.⁷⁰ The Solar Parties explain that under current regulations, limited export agreements (“LEA”) address single use cases, allowing projects to interconnect on a fixed, derated export basis to avoid or defer a hosting-capacity upgrade. They ask the Commission to expand flexible interconnection options to allow more projects to interconnect at full nameplate capacity while temporarily restricting their output. This would provide a pathway to unlocking capacity—before federal tax incentives expire—while waiting for grid upgrades to be completed.⁷¹

OPC notes that the high and unpredictable cost of interconnection remains a common barrier to timely renewable generation and storage deployment.⁷² These costs stem from study requirements and interconnection rules that do not account for how modern solar-plus-storage systems actually operate. OPC recommends, instead, that flexible interconnection rules should be adjusted to base study level on net export capacity to ensure that projects are studied at scrutiny levels commensurate with their actual grid impact.⁷³

⁷⁰ Solar Parties Initial Comments at 3; Lodestar Initial Comments at 2; NCS Initial Comments at 5; and *see* CleanCapital Initial Comments at 5.

⁷¹ Solar Parties Initial Comments at 7-8.

⁷² OPC Initial Comments at 6.

⁷³ *See id.* at 8-10.

Staff states that the utilities can be directed under COMAR 20.50.09.06P to prioritize projects that demonstrate the ability to meet the requirements under an LEA. Doing so would not only avoid costly upgrades—such as feeder or substation work—but also decrease timelines associated with interconnection approval processes.⁷⁴

b. Commission Decision

The Commission finds that COMAR clearly requires the utilities to approve interconnection requests “while considering flexible interconnection options under a limited export agreement or, for inadvertent export, net system capacity and a proposed use....”⁷⁵ Under the Commission’s established interconnection rules, clean energy companies and interconnection customers already have the ability to request flexible interconnection. To effectuate its intent for these rules, the Commission directs the utilities to increase the visibility of this option on their websites and interconnection application materials. To the extent OPC and/or other parties are prepared to propose regulatory changes to the existing flexible interconnection and interconnection study rules, the Commission will consider those amendments, and any request for emergency regulatory treatment, upon submission.

9. Rooftop Solar Interconnection

a. Positions of the Parties

MRSC and IREC make several recommendations regarding rooftop solar interconnection. MRSC requests that the Commission require the electric utilities to file fee schedules for secondary voltage cost-sharing, per COMAR 20.50.09.06(D). Socializing

⁷⁴ Staff Initial Comments at 7.

⁷⁵ COMAR 20.50.09.06P.

these costs across similar applications may save many residential solar projects that would otherwise be stalled or cancelled due to projected upgrade costs.⁷⁶ MRSC also recommends that the Commission approve emergency pilot programs for instant or expedited interconnection of Level 1 solar and solar-plus-storage systems so long as the systems are configured to limit export until after full interconnection review and approval.⁷⁷ MRSC points to a process adopted in Hawaii allowing solar projects to quickly connect using smart inverter functions.⁷⁸

IREC offers several recommended actions including requiring utilities to update their hosting capacity maps biweekly, at minimum, through the remainder of 2025 and monthly starting in January 2026.⁷⁹ IREC also recommends that the Commission designate a rapid response team for interconnection disputes, such as utility timeline compliance and Level 1 screening failures, and require utilities to allow projects to interconnect using volt-watt settings in the case of voltage constraints, before utility validation.⁸⁰

Staff acknowledges that MRSC's proposals are targeted at the OBBBA deadline facing the residential solar market. Staff recommends that the Commission refer these proposals to the Interconnection Working Group for expedited review and recommendation.⁸¹

b. Commission Decision

The Interconnection Work Group previously discussed several of these recommendations in earlier phases of its work, including the proposal to model an instant

⁷⁶ MRSC Initial Comments at 2.

⁷⁷ *Id.*

⁷⁸ *Id.*

⁷⁹ *See* IREC Reply Comments at 3-5.

⁸⁰ *See id.* at 5-7.

⁸¹ Staff Reply Comments at 4.

or “quick connect” pilot program after Hawaii’s multi-year program.⁸² The Work Group rejected this proposal for non-consensus reasons. Additionally, COMAR already provides other measures requested by the rooftop solar advocates. To the extent the parties believe it necessary to revisit these recommendations in the Interconnection Work Group, the Commission defers further action on these requests subject to any recommendation(s) by the Work Group. Given the end-of-year deadlines facing residential solar, the utilities are directed to work with residential rooftop and small generator interconnecting customers to ensure that interconnection wait times remain short.

10. Distributed Generation CPCN Process

a. Positions of the Parties

Several stakeholder parties highlight that PPRP is developing proposed standard siting and design requirements along with licensing conditions for the distributed generation certificate of public convenience and necessity (“DG-CPCN”) process, as required under the Renewable Energy Certainty Act (“RECA”).⁸³ The General Assembly intended for this new process to streamline siting approval for community solar projects by reducing unnecessary time and cost burdens typically associated with the Commission’s traditional CPCN review.⁸⁴ Stakeholders indicate that PPRP plans to provide its proposed framework later this year.⁸⁵ The parties, therefore, urge the Commission to act quickly on

⁸² Docket Item No. 17, RM 81, PC 44 Interconnection Work Group Phase V Final Report at 76-78 (Sept. 28, 2023) (“Interconnection Phase V Report”).

⁸³ See e.g., Solar Parties Initial Comments at 12; CleanCapital Initial Comments at 6; OPC Initial Comments at 12; and PPRP Initial Comments at 6.

⁸⁴ Solar Parties Initial Comments at 12; CleanCapital Initial Comments at 6; and OPC Initial Comments at 12.

⁸⁵ Solar Parties Initial Comments at 12; CleanCapital Initial Comments at 6. See also, PPRP Initial Comments at 6 (stating PPRP anticipates providing its proposed recommended standard requirements and conditions prior to July 2026).

PPRP's DG-CPCN recommendations ahead of the Commission's July 2027 statutory deadline.⁸⁶

PPRP included with its comments a draft DG-CPCN form application,⁸⁷ indicating that a standard application format should provide greater consistency, information uniformity, and conciseness of information to help expedite the Commission's review. PPRP anticipates this workable format developed through the DG-CPCN Working Group will further guide stakeholder discussions in the DG-CPCN Working Group.⁸⁸

b. Commission Decision

The Commission appreciates PPRP's leadership and the efforts of the DG-CPCN Working Group to expedite the development of a regulatory framework for establishing a new DG-CPCN process. The Commission takes notice of the draft DG-CPCN form application and looks forward to PPRP's recommendations. Upon receipt of a proposed framework, the Commission will work expeditiously to effectuate a DG-CPCN process.

11. Expedited CPCN Review

a. Positions of the Parties

PPRP, Earthjustice, and several solar community parties recommend that the Commission expedite and/or prioritize certain CPCN applications.⁸⁹ PPRP recommends prioritizing those projects that have applied for interconnection, obtained interconnection cost estimates, and are furthest along in the interconnection process.⁹⁰ PPRP suggests that

⁸⁶ Solar Parties Initial Comments at 12; Lightstar Initial Comments at 3; CleanCapital Initial Comments at 6; Sierra Club Initial Comments at 7; and OPC Initial Comments at 12.

⁸⁷ PPRP Supplemental Comments, Attachment "CPCN Format Application for Construction of a 2.1 to 5.0 MW Solar PV Facility in [x] County, MD" (Sept. 22, 2025).

⁸⁸ PPRP Supplemental Comments at 1-2.

⁸⁹ PPRP Initial Comments at 2-3; Earthjustice Initial Comments at 6; Halo Initial Comments at 2-3; Distributed Sun Initial Comments at 1-2; Lightstar Initial Comments at 3; and TPE Initial Comments at 4-5.

⁹⁰ PPRP Initial Comments at 5.

the Commission could pilot a streamlined process for well-sited and uncontested distribution-level solar projects with the assistance of the aforementioned standardized CPCN application format to ensure developers provide more complete and consistent information.⁹¹

The Sierra Club and MLCV Coalition agree that the Commission should prioritize CPCN applications for solar projects and storage resources—including solar projects co-located with batteries—and advance them to the front of the CPCN queue to maximize the likelihood of them becoming operational with the benefit of capturing expiring tax credits to ensure lowest cost to Maryland ratepayers.⁹² Lightstar similarly recommends that the Commission give preference to agrivoltaic or AgPV projects, as a preferred siting project, because they reserve the land hosting the CSEG facility for active farming, further supporting farmers and farm viability, local food production, and energy bill savings.⁹³

Halo recommends several procedure-shortening measures for uncontested CPCN cases, including: (1) requiring the Public Utility Law Judge—if one is assigned to the matter—to issue a final order within 30 days of the CPCN evidentiary hearing; (2) precluding a party from contesting the CPCN case if their position is frivolous or irrelevant; (3) creating a “lite” CPCN process for uncontested, PPRP-recommended projects; and (4) waiving or shortening certain waiting periods in the CPCN process.⁹⁴

⁹¹ PPRP Reply Comments at 3-4.

⁹² Sierra Club Initial Comments at 6 and MLCV Coalition Reply Comments at 2.

⁹³ Lightstar Initial Comments at 3.

⁹⁴ Halo Initial Comments at 1-3.

b. Commission Decision

As previously noted, PPRP is currently developing a streamlined regulatory framework for reviewing DG-CPCN applications. It would be premature for the Commission to adopt measures to adapt the CPCN process specifically for solar PV and battery projects ahead of reviewing PPRP's recommendations, which are anticipated before the end of this year.

Regarding Sierra Club's request for a specific CPCN process for renewable projects that also have battery storage, the Commission does not find sufficient need or justification for establishing a special, expedited process reserved only for these types of projects. The Commission's traditional CPCN process does not discriminate among different types of projects. To the extent that PPRP may recommend special treatment of solar plus storage configurations, the Commission will consider such recommendations at that time.

12. Solar Decommissioning Standardization Issues

a. Positions of the Parties

Several solar trade association parties recommend standardization measures for solar decommissioning.⁹⁵ The Solar Parties argue it was the General Assembly's intent to streamline decommissioning requirements when it enacted the RECA earlier this year. Specifically, the RECA applies to most solar projects 1 MW and greater,⁹⁶ and it requires the use of a Commission-approved decommissioning agreement and surety bond to cover the future cost of decommissioning a solar energy generating station and related

⁹⁵ Solar Parties Initial Comments at 11-12; TPE Initial Comments at 5; and Chaberton Initial Comments at 11-12.

⁹⁶ The Solar Parties denote 1 MW for solar projects as 1 MWac, which stands for megawatt alternating current. For purposes of this Order, this is a distinction without a difference.

infrastructure.⁹⁷ By advancing a standard form decommissioning agreement and adopting a standardized decommissioning bond methodology, the Commission can eliminate uncertainty around decommissioning costs, avoid redundant litigation in the CPCN process, and expedite CPCN approval for developers facing ITC deadlines.⁹⁸

TPE supports removing the decommissioning plan requirement from the CPCN application altogether,⁹⁹ arguing that decommissioning discussions can delay the CPCN review process. Instead, PPRP's DG-CPCN Working Group Decommissioning Subgroup can make decommissioning-specific recommendations, including standardizing decommissioning assumptions.¹⁰⁰

Staff recommends that the Commission adopt a policy regarding CSEG decommissioning studies in CPCN proceedings “that would accept or approve those decommissioning studies and proposed surety bond amounts as reasonably meeting the Commission’s standards under specific criteria. Staff argues that establishing a “reasonable standard” for decommission cost estimates and surety amounts for CSEG CPCNs would provide additional regulatory certainty for CPCN applicants.¹⁰¹

b. Commission Decision

The Commission supports the ongoing work by the DG-CPCN Working Group and appreciates PPRP taking the initiative on developing a regulatory framework for streamlining the DG-CPCN process. Should PPRP's recommendations include standardizing elements of solar decommissioning, the Commission will review them.

⁹⁷ Solar Parties Initial Comments at 11-12.

⁹⁸ *Id.* at 12 and Chaberton Initial Comments at 11-12.

⁹⁹ TPE Initial Comments at 5.

¹⁰⁰ *Id.*

¹⁰¹ Staff Initial Comments at 14-16.

13. Per-Service Territory Net Metering Cap

a. *Positions of the Parties*

Potomac Edison previously proposed to the Net Metering Working Group COMAR updates that would establish utility-specific net energy metering (“NEM”) limits totaling the state-wide 3,000 MW capacity limit. Under this methodology, each utility service territory would absorb the new net-metered projects in proportion to the utility’s “load” or percentage of statewide energy sales. Potomac Edison renewed this recommendation in this proceeding, averring that this approach is not only more equitable for customers, but would also lead to improved interconnection study review times and allow utilities to more effectively administer their interconnection queues.¹⁰²

Solar Landscape opposes this request, arguing that the Maryland Permanent Community Solar Program, established in 2023, effectively removed all community solar capacity limits, including a utility-specific cap, except for the 3 GW statewide cap. As such, Maryland law requires net metering be offered to customer-generators on a first-come, first-served basis until the statewide cap is reached.¹⁰³ The Solar Parties agree that dividing the statewide cap into utility-specific allocations would violate PUA § 7-306.2(f)(1)(i) and inject uncertainty in Maryland’s solar market as the solar industry tries to advance projects to qualify for expiring federal tax credits.¹⁰⁴

Staff points out that the statewide NEM cap is a high-priority topic for the NEM Working Group. Where Staff previously propounded data requests to the utilities on the

¹⁰² PE Initial Comments at 5-6 (suggesting the utility-specific NEM caps could be based on each utility’s percentage of statewide energy sales).

¹⁰³ Solar Landscape Reply Comments at 2.

¹⁰⁴ Solar Parties Reply Comments at 8.

subject, their responses will inform the Working Group’s recommendations on how to manage the queue as the State approaches the cap.¹⁰⁵

b. Commission Decision

The Commission understands the parties’ concern regarding the statewide NEM cap but finds that this proceeding is not the appropriate forum for addressing this issue. The Commission appreciates the Net Metering Working Group’s ongoing efforts to address this issue. Given the criticality of the State approaching the NEM limit, the Commission anticipates the General Assembly will take action on NEM during the next legislative session.

14. Energy Storage Request for Proposals

a. Positions of the Parties

The Sierra Club recommends that the Commission initiate a new energy storage procurement process pursuant to the Next Generation Energy Act (“NGEA”), which took effect in June 2025. While the NGEA requires the Commission to issue a Request for Proposals (“RFP”) for up to 800 MW of transmission-connected storage by January 1, 2026, Sierra Club advises the Commission can and should act sooner.¹⁰⁶ Sierra Club argues that failure to move expeditiously on the RFP “will cost Marylanders the opportunity to significantly reduce their energy bills.”¹⁰⁷ Sierra Club further argues that the Commission should not only provide regulatory certainty that solar-plus-storage projects would qualify

¹⁰⁵ Staff Reply Comments at 6.

¹⁰⁶ Sierra Club Initial Comments at 5.

¹⁰⁷ *Id.*

for the RFP process, but also prioritize approval of projects that will qualify for the expiring federal tax credits.¹⁰⁸

b. Commission Decision

The Commission is working expeditiously to implement the Maryland Energy Storage Program in Case No. 9715.¹⁰⁹ Moreover, the Commission recently initiated a separate public conference (PC75) dedicated to the requirements under the NGEA for transmission-connected storage RFP.¹¹⁰ In the Notice convening the latter, the Commission announced the retention of Power Advisory to support the Commission in fulfilling its NGEA energy storage tasks, including the development and management of the required RFP solicitation for storage proposals. Power Advisory recently issued a “Request for Information” to prospective applicants, with responses due on October 28, 2025. For these reasons, the Commission takes no action in this docket on Sierra Club’s request. The Commission will refer to Case No. 9715 and PC75 for future activity concerning any RFP issued under the NGEA.

15. Utility Resources to Accommodate Interconnection Applications

a. Positions of the Parties

The JMEU request the ability to hire additional personnel, as needed, to implement changes to utility interconnection application processing timelines as a result of this

¹⁰⁸ *Id.* at 5-6.

¹⁰⁹ See e.g., *In re Maryland Energy Storage Program*, Case No. 9715, Notice of Hearing and Opportunity to Comment (Nov. 4, 2025) (inviting stakeholder comments on utility energy storage proposals filed in accordance with PUA § 7-216.2 and Commission Order Nos. 91705 and 91812 as well as noticing a legislative-style hearing on January 2, 2026 to consider the matter).

¹¹⁰ See *Next Generation Energy Act Requirements for Transmission Connected Energy Storage*, PC 75, Notice Convening a Public Conference for Next Generation Energy Act Requirements for Transmission-Connected Energy Storage at 1-2 (Oct. 15, 2025).

proceeding.¹¹¹ They also request flexibility to proactively purchase materials and long-lead time equipment to accommodate accelerated generator interconnection, along with a mechanism for cost recovery.¹¹²

Staff shares the JMEU's concern around their ability to meet accelerated deployment timelines with their existing resources. Staff recommends the JMEU companies file tariffs with fees for developers that request expedited interconnection work.¹¹³ Regarding long-lead time equipment and materials, Staff responds that each utility is responsible for managing its inventory in a prudent manner, where the utility would later demonstrate the prudence of their inventory practices and incurred costs in a base rate proceeding.¹¹⁴

b. Commission Decision

The Commission will not pre-emptively address the JMEU's request for resource flexibility in this Order. The Commission expects that the utilities will adhere to their regulatory obligations under law, Commission order, and regulation. Nothing in this Order shall abrogate the utilities' duty to operate in a reasonable and prudent manner. The prudence of their business and operational expenditures will be reviewed at the appropriate time in a base rate case.

¹¹¹ JMEU Initial Comments at 1.

¹¹² *Id.* at 5-6.

¹¹³ Staff Reply Comments at 5.

¹¹⁴ *Id.*

16. Notification of Expiring Federal Energy-Related Benefits

a. *Positions of the Parties*

OPC requests that the Commission require the utilities to notify residential customers about the expiring federal tax credits through bill inserts, bill messaging, and social media posts.¹¹⁵ Specifically, OPC recommends that the notices explain how customers can save money on energy-saving technologies, including residential renewable energy systems (*e.g.*, rooftop solar PV systems), energy efficiency upgrades (*e.g.*, high-efficiency electric heat pumps), and EV charging equipment.¹¹⁶ This communication can help more residents take advantage of the federal incentive programs before they phase out.¹¹⁷

The utilities do not address this request in their responsive comments.¹¹⁸

b. ***Commission Decision***

While the Commission agrees with OPC's request that customers should be notified about these important federal benefits, the Commission recognizes the timeframe for capturing residential-specific tax credits, such as residential solar, is too compressed to require the utilities to take meaningful action now, especially regarding bill messaging. The Solar Parties correctly point out, for example, that the federal residential solar tax credit is only available to projects that are operational by December 31, 2025.¹¹⁹

¹¹⁵ OPC Initial Comments at 16-17.

¹¹⁶ *Id.* at 17.

¹¹⁷ Hr'g. Tr. at 213:13-22 (Baskin).

¹¹⁸ At the September 8, 2025 hearing, the Commission allowed the parties to submit supplemental comments and asked the utilities to include in their comments feedback on how to notify their residential customers of federal energy-related benefits that will expire at the end of the year. *Id.* at 239:4 - 240:9 (Hoover). The utilities did not address the issue of customer notifications in their supplemental comments.

¹¹⁹ Solar Parties Initial Comments at 2.

MEA routinely publicizes information about federal tax credits through its official website and other public statements. The Commission appreciates and supports MEA's work to inform Marylanders about relevant federal tax credits. The Commission will continue to look to MEA's leadership in this area of critical public messaging to keep Marylanders apprised of these vital incentives.

17. Interconnection Upgrade Cost-Sharing

a. Positions of the Parties

The Solar Parties request improvements to cost-sharing models for interconnection upgrades, arguing that current cost-sharing models place an undue financial burden on individual projects, lack transparency, and cause unnecessary delays.¹²⁰ They recommend that the Commission establish a proactive, holistic cost allocation model that considers multiple beneficiaries along with state decarbonization goals, load growth, and distributed generation development.¹²¹

Staff supports cluster studies and the allocation of utility upgrade costs to multiple beneficiaries. Instead of assigning upgrade costs to the first project that triggers the need for the upgrade, the Commission should allocate those costs to the projects in queue based on the amount of hosting capacity that a project will utilize.¹²² Staff cites to COMAR 20.50.09.06R in support of hosting capacity cost sharing.

b. Commission Decision

COMAR 20.50.09.06R(1)(e)(ii) provides that if more than one interconnection request exists in the interconnection queue that benefits from the electric utility proposed

¹²⁰ *Id.* at 13.

¹²¹ *Id.*

¹²² Staff Initial Comments at 5.

hosting capacity upgrade project, these interconnection customers shall be clustered together for the purpose of calculating hosting capacity fees. Given this regulation takes effect on December 12, 2025, and the utilities will update their tariffs accordingly, the Commission refers this matter to the Interconnection Work Group to determine whether further refinement is needed.

18. Timely Invoicing of Interconnection Costs

a. Positions of the Parties

Soltage and TPE recommend the Commission require the utilities to invoice interconnecting project developers no later than two weeks after issuing cost letters or signed studies. These stakeholder parties state that the utilities are often late in invoicing developers for interconnection deposits, which causes significant delays—up to several months.¹²³ Staff supports timely utility invoicing once interconnection-related costs have been identified.¹²⁴

b. Commission Decision

The Commission agrees that utilities and interconnecting customers must work together more effectively and efficiently to remove unnecessary delay in the interconnecting process. It is, however, unclear from this proceeding whether Soltage and TPE have identified a pervasive problem with the timeliness of utility invoicing. The Commission therefore refers this issue to the Interconnection Work Group to determine what, if any, recommended actions are warranted.

¹²³ Soltage Initial Comments at 3 and TPE Initial Comments at 8.

¹²⁴ Staff Reply Comments at 5.

19. Elimination of Level 4 Facilities Studies

a. Positions of the Parties

Potomac Edison requests that the Commission waive the existing requirement to complete a Facilities Study for a Level 4 interconnection. The company argues that a Level 4 Facilities Study is unnecessary for the interconnection process and does not uncover any additional system constraint from the proposed project that would not already be disclosed as part of another study.¹²⁵

The Solar Parties caution against waiving this requirement in every instance, explaining that a Facilities Study often provides more accurate and detailed cost information than the required System Impact Study. Instead, the Solar Parties suggest that developers and utilities can agree to waive the Facilities Study requirement—or it can be combined with the System Impact Study—where the parties believe that sufficient information has already been provided.¹²⁶ The Solar Parties emphasize, however, that the utilities must still ensure that upgrade cost estimates are reasonably accurate and itemized.¹²⁷

b. Commission Decision

The Commission understands the practicality of Potomac Edison's request. However, it is unclear from this proceeding whether waiving the Facilities Study for all projects—*i.e.*, eliminating the requirement altogether—would lead to unintended or adverse consequences, such as further disruption to project planning or the interconnection

¹²⁵ See PE Initial Comments at 2-3.

¹²⁶ Solar Parties Reply Comments at 7.

¹²⁷ *Id.*

process. The Commission therefore refers this issue to the Interconnection Work Group to determine if amendments to COMAR are warranted.

20. Pre-Application Interconnection Report Requirements

a. Positions of the Parties

OPC states that the Interconnection Work Group is actively developing proposed regulations to expand the requirements for pre-application reports under COMAR 20.50.09.06C(3). The expanded reports will, in theory, help reduce congestion in the interconnection queue by guiding developers toward optimal interconnection points as well as provide early indication whether significant system upgrades may be necessary.¹²⁸ OPC recommends that the Commission direct the Interconnection Work Group to finalize the new pre-application interconnection report regulations.

b. Commission Decision

The Commission agrees with OPC and will refer this issue to the Interconnection Work Group for further discussion and development in Phase VI.

21. Aggregate Circuit Capacity Limits

a. Positions of the Parties

Howard County supports various solutions to streamline project interconnections. In its comments, the County specifically recommends replacing the use of aggregate circuit capacity limits with a hosting capacity-based screening methodology. The County argues the latter would free up more capacity to interconnect solar projects and may reduce costs of installing additional lines to facilitate interconnection.¹²⁹

¹²⁸ OPC Initial Comments at 13.

¹²⁹ Howard County Initial Comments at 3.

b. Commission Decision

The Interconnection Work Group previously addressed the recommendation to replace administratively set aggregate circuit capacity with circuit-specific hosting capacity analysis methodologies in Phase V.¹³⁰ COMAR 20.50.09.06Q requires that utilities establish hosting capacity policies that include, among other things, a circuit-specific methodology to determine the amount of reserve hosting capacity on a restricted circuit.¹³¹ The Commission need not take further action on this subject at this time.

22. Other Interconnection Process Changes/Improvements

Any remaining issues and recommendations raised in the stakeholder parties' comments not specifically addressed in this Order are referred to the Interconnection Work Group for further discussion as appropriate. To the extent any further amendments to COMAR are needed to advance renewable projects in a timely manner, the Work Group is directed to submit those proposals to the Commission as soon as possible (but not later than 90 days after the entry of this Order) with a request for emergency rulemaking treatment.

III. CONCLUSION

The pending expiration of federal tax incentives under the OBBBA, as supported by Executive Order 14315 and Treasury Notice 2025-42, has introduced uncertainty for the deployment of renewable resources in Maryland. This unwelcome shift in federal policy has placed at risk the State's long-term and necessary climate and reliability goals. These unexpected hurdles to otherwise viable solar generation and storage projects compel

¹³⁰ Interconnection Phase V Report at 130-31.

¹³¹ COMAR 20.50.09.06Q(1)(c).

swift action and a cooperative stance in what is now a race against time. The decisions reflected in this Order are intended to advance renewable development by mitigating unnecessary delay in the developer-utility interconnection and construction processes, enhancing transparency and accountability, and providing a path for streamlining the approval process for distributed generation. Some actions can be implemented by clarifying and/or reaffirming existing obligations under COMAR. Other measures may require regulatory changes. To keep progress moving, the Commission will look to the Interconnection, Net Metering, and DG-CPCN working groups for forward-looking recommendations on adapting existing programs and integrating new regulatory frameworks. The Commission also calls on the utilities to partner with developers to eliminate sources of delay and maximize bringing resources online in time for the ITC.

IT IS THEREFORE, this 14th day of November, in the year of Two Thousand Twenty-Five, by the Public Service Commission of Maryland, **ORDERED**:

(1) that the tariff requirement that CSEG projects must first obtain Subscriber Organization approval before submitting an application for utility interconnection is hereby waived in accordance with this Order;

(2) that the Joint Maryland Exelon Utilities and Potomac Edison shall, in consultation with the Net Metering Working Group, file revised tariff language that incorporates a concurrent process as discussed herein;

(3) that the Joint Maryland Exelon Utilities and Potomac Edison shall file within 45 days of this Order a report explaining the cause(s) of any missed interconnection deadlines as reported in their 2023 and 2024 Annual Small Generator Interconnection

Reports and including the year-to-date data for 2025, as well as missed interconnection agreement milestones, as described herein;

(4) that by consent of the investor-owned electric companies as described herein, the Joint Maryland Exelon Utilities and Potomac Edison shall submit quarterly reports on their interconnection metrics, consistent with the annual reporting requirements under COMAR 20.50.09.14C, beginning with the fourth quarter of 2025 and through December 31, 2027;

(5) that Potomac Edison shall take necessary measures to allow parallel construction of solar facilities concurrently with the company's distribution system upgrades;

(6) that the Joint Maryland Exelon Utilities and Potomac Edison shall increase the visibility of flexible interconnection options on their websites and interconnection application materials; and

(7) that any issues and recommendations raised in the stakeholder parties' comments not specifically addressed in this Order are hereby referred to the Interconnection Work Group for further discussion as appropriate.

/s/ Frederick H. Hoover, Jr.

/s/ Kumar P. Barve

/s/ Bonnie A. Suchman

/s/ Odogwu Obi Linton

/s/ Ryan C. McLean

Commissioners