



Calculating Minimum Benefits to the Consumer

Resources to assist Participating Contractors with compliance with Section 2.3 of the FY25 Maryland Solar Access Program Consumer Protection Policy

(Last Updated 12/31/24)

The Brighter Tomorrow Act of 2024 requires MEA to publish: “The minimum benefits that an eligible customer-generator must receive under an agreement with a third party.” The FY25 Maryland Solar Access Program Consumer Protection Policy establishes minimum savings that a solar contract must deliver to the consumer to be eligible for a grant. To calculate minimum savings, the participating contractor must first identify the customer’s “current avoidable rate,” which varies by utility and includes the standard offer service supply rate in addition to delivery charges and other charges offset by net metered customers. To assist with this calculation, MEA will publish on its website, and twice annually update, the customer’s avoidable rate for each larger electric utility.

Here are the current avoidable rates for the larger electric utilities in Maryland (last updated 12/31/24):

	PEPCO	BGE	Delmarva Power	Potomac Edison
Current Avoidable Rate (\$/kWh)	0.212	0.170	0.201	0.132

Based on the current avoidable rate, the participating contractor can calculate the maximum offer allowed under the FY25 Maryland Solar Access

Program Consumer Protection Policy for a power purchase agreement or an equivalent maximum offer for a solar lease agreement, solar system purchase agreement, or solar loan agreement.

1. **“For solar power purchase agreements with an escalator rate of 0%,** the maximum offer of the first year’s PPA rate, at the time the solar contract is signed, must be at least 25% below the customer’s avoidable rate, including the standard offer service supply rate in addition to delivery charges and other charges offset by net metered customers.”

	PEPCO	BGE	Delmarva Power	Potomac Edison
Current Avoidable Rate (\$/kWh)	0.212	0.170	0.201	0.132
Maximum Offer: first year PPA rate (\$/kWh)	0.159	0.127	0.151	0.099

2. **“For solar power purchase agreements with an escalator rate greater than 0% and under no circumstances more than 3%,** the maximum offer of the first year’s PPA rate, at the time the solar contract is signed, must be at least 35% below the customer’s avoidable rate, including the standard offer service supply rate in addition to delivery charges and other charges offset by net metered customers.”

	PEPCO	BGE	Delmarva Power	Potomac Edison
Current Avoidable Rate (\$/kWh)	0.212	0.170	0.201	0.132
Maximum Offer: first year PPA rate (\$/kWh)	0.138	0.110	0.131	0.086

3. **“For a solar power lease agreement, solar power loan agreement, or solar system purchase agreement,** the grant application must demonstrate that the total costs for the first full year do not exceed the equivalent maximum offer.”

	PEPCO	BGE	Delmarva Power	Potomac Edison
Current Avoidable Rate (\$/kWh)	0.212	0.170	0.201	0.132
Equivalent Maximum Offer: first year lease payment if 3% escalator	Sample calculation to be posted soon			
Equivalent Maximum Offer: first year monthly lease payment if 0% escalator	Sample calculation to be posted soon			
Equivalent Maximum Offer: solar system purchase cost	Sample calculation to be posted soon			
Equivalent Maximum Offer: first year monthly loan payment	Sample calculation to be posted soon			