

**Testimony of the Industrial Energy Consumer Group**  
**In Support of**  
**L.D. 1347, *An Act to Eliminate the Current Net Energy Billing Policy in Maine***  
**Before the Joint Standing Committee on Energy, Utilities and Technology**  
**April 13, 2023**

Good afternoon, Senator Lawrence, Representative Ziegler and Members of the Joint Standing Committee on Energy, Utilities and Technology.

I am Tony Buxton, an attorney with the firm of Preti Flaherty, here today on behalf of the Industrial Energy Consumer Group (IECG). IECG has been representing medium and large sized consumers of energy in Maine for more than thirty-five years at the state, regional and federal level. We advocate for policies that reduce the cost of energy for our members and cost-effectively help Maine achieve its climate goals.

To the surprise of no one in this room or listening online, Industrial Energy Consumer Group testifies today in support of LD 1347, *An Act to Eliminate the Current Net Energy Billing Policy in Maine*. We will not repeat our criticisms of the current system which we have expressed to the Legislature multiple times per year since 2019. We will remind you that IECG was a stalwart defender of the original net energy billing program in Maine, and I personally argued in favor of that program before the Law Court. That case, and that program, have no relation to the current policy.

Today I want to point out to the Committee what our choices on energy policy mean in terms of foregone opportunities. You have heard from the PUC, OPA, CMP, Versant and the IECG what the current program will cost. What we have not focused on is what these costs have eliminated the opportunity for doing. For comparison, in November 2021 Governor Mills announced that the Maine Jobs & Recovery Plan would include \$25 million for weatherizing about 3,500 homes. This means that \$250 million would weatherize 35,000 homes per year. This is about 16% of Maine households – in other words, \$250 million that might be spent on NEB perennially (for at least 20 years) could instead weatherize every Maine home in less than 7 years<sup>1</sup>. Based on our analysis, for the ratepayer cost of the

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<sup>1</sup> Governor Mills Announces Maine Jobs & Recovery Plan Initiatives to Cut Energy Costs for Maine Families, Reduce Carbon Emissions, and Strengthen Clean Energy Workforce | Office of Governor Janet T. Mills

fully implemented NEB program, Maine could instead be more than halfway complete in weatherizing every single home in Maine. We all understand the greater importance of doing this for low-income households. If we had started that effort in 2019, we could be planning on its completion by 2026 and then could move that ratepayer investment into other necessary efforts.

We would then also point out that for every other year of the full ratepayer cost of NEB, Maine could be accelerating its deployment of heat pumps to reduce our dependence on fossil fuels, lower household energy costs, grow load to reduce electric rates, and help achieve our climate goals. If you assume a conservative average installation cost of \$15,000 per location; the \$250,000,000 ratepayer cost of NEB could instead have been used to install heat pumps at more than 16,600 homes, businesses, and community institutions per year. Existing state and federal subsidies would stretch the deployment even further per year.

These are the kinds of foregone opportunities that occur when as a state we select expensive policy solutions rather than the most cost-effective ones. It is why IECG urges the biggest climate bang for the ratepayer dollar. We hope the Committee will continue to bear this concept in mind.

Thank you for the opportunity to submit these comments. IECG is happy to answer questions now or at the work session.