



SOLAR ENERGY ASSOCIATION OF MAINE

Testimony in Support of L.D. 417

An Act to Facilitate Net Energy Billing

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Solar Energy Association of Maine

To the Joint Standing Committee on Energy, Utilities, and Technology

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Senator Lawrence, Representative Zeigler, and other members of the Joint Standing Committee on Energy, Utilities, and Technology: my name is Steve Weems, past Executive Director and current Board Member of the Solar Energy Association of Maine (SEAM). I am also testifying as President of Dirigo Community Solar Group (Dirigo CSG), a nonprofit association of 14 of the 15 small, original community solar farms. Both organizations are solidly behind Maine's clean energy goals, the many benefits of distributed generation, and specifically the virtues of the net energy billing (NEB) program, particularly for smaller projects with customer ownership of the electricity generating equipment. Although the NEB policy framework may change this legislative session, we are here today to support Senator Vitelli's sensible legislation about data ownership/sharing, and the current, actual billing procedures of transmission and distribution utilities. Improved and more transparent practices are long overdue. It appears legislation is required to get understandable electric bills.

SEAM is a broad coalition of solar energy supporters, advocating for the development of solar electricity of all project sizes and ownership models, for the benefit of all Maine people. It is a not-for-profit corporation governed by a diverse Board of Directors. Dirigo CSG is a nonprofit membership organization providing management services to 14 established, small community solar farms, each with a nameplate capacity of 200 KW or less. This accounts for about 125 residential customers who cannot put solar on their rooftops.

The following comments apply equally as well to the more contemporary, larger NEB projects featuring the “subscription method” of participation by individual utility customers, which we assume have given rise to LD 417. Our comments today are limited to the justification for accurate, understandable bills for existing and future projects. We are not addressing any broader issues relating to the benefits and costs of distributed generation and net energy billing.

There is no justification for forcing a utility NEB customer to engage in forensic accounting, web research for rate data, and billing data manipulation to understand and interpret his or her electric bill. The basic business transaction is pretty simple. A customer owns 100% of an NEB project on his or her property; or owns or subscribes to a defined portion of a group project, also known as a community solar farm (CSF). The project generates a defined amount of electricity each billing period. Some or all of this electricity flows onto the grid, depending on whether or not some of it is consumed instantaneously behind the meter. The utility provides sufficient energy back to satisfy the customer’s load. All of this is straightforward and measured by meters. Producing utility bills that are understandable and provide the customer with key information should be a routine process, but it is not. This creates the need for legislation like LD 417.

Here are some maddening examples from the experience of Dirigo CSG customers, including me. These are members of group projects, or CSFs, receiving credits in the form of kilowatt-hours (kWh), not dollars as is the case in the Commercial and Institutional (C&I) tariff program. The customer utility bill shows the number of project kWh allocated to the customer, but not the total monthly generation of the CSF or the customer’s allocated share of this production. Therefore the customer has to go into his or her files and communicate with the project manager to get this data, and check the percentage of total kWh of project generation allocated to the customer. There is no good reason for the billing system to be this cumbersome.

If the total generation for the billing period allocated to the customer plus any banked generation from prior periods she or he may have is sufficient to cover the customer’s total electricity use for the billing period, the customer is

charged a fixed amount for being connected to the grid, but no delivery or energy charges for the kWh consumed. The value of these credits is not shown on the bill, and in the case of the delivery charge the existing utility rate is not displayed, so the customer cannot determine the value of his or her credit without looking up the current variable residential delivery charge on the web, or in the customer's files, provided the customer keeps notes about current rates. This would be totally unnecessary with simple, transparent billing data.

Another mystery requiring forensic accounting skills comes up if the customer has banked kWh credits. Some of these will lapse in a given billing period if the customer's bank of credits includes credits more than 12 months old. Lapsing credits is the subject of another bill being heard today. When that happens the lost credits are deducted from the total in the bank, but the amount of the deduction is based on an obscure, opaque formula. This is too complicated to attempt to describe here. However, it could easily be presented on the customer's electric bill, but it is not, which is the subject of LD 417. The design of the current CMP billing system does not provide this kind of useful information to the customer. In the Versant territory the situation is even worse, as it is still generating bills for many, if not all, NEB customers manually.

There are other examples of why LD 417 is needed. A cynic might say passive-aggressive behavior of this nature by our investor-owned utilities has a purpose. Whatever the reasons for the existing situation, it is disrespectful of customers and totally unnecessary. LD 417 or some refined version of it is an appropriate solution, and we hope the EUT Committee will see its merits, work it up and report it out with a resounding Ought-to-Pass recommendation. Thank you Senator Vitelli for bringing this forward, thank you Representative Zeigler for your assist.

Steven Weems
Solar Energy Association of Maine and Dirigo Community Solar Group
LD 417

This is Steve Weems, submitting testimony in favor of LD 417, on behalf of both the Solar Energy Association of Maine and the nonprofit membership association Dirigo Community Solar Group representing 14 smaller community solar farms with approximately 125 individual members.