

Advancing the Clean Energy Future

February 19, 2025

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Dear members of the Joint Committee of Energy, Utilities, and Technology,

Acadia Center Testimony in Opposition to L.D. 450 "An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy Billing" and L.D. 515 "An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation"

I am the Senior Policy Advocate and Maine Program Director for the Acadia Center, a Rockport, Maine based organization that advocates in Maine and throughout New England to lower energy costs and decrease GHG emissions. The two bills referenced above (being heard in a combined hearing) seek to eliminate or "reverse" Net Energy Billing (NEB) on the mistaken assumption that it has been the cause of high electricity bills. On the contrary, volatile fossil fuel prices (including primarily natural gas) and the growing cost to repair storm damage are the primary drivers of electricity rate increases in Maine. Indeed, a recent study commissioned by the Maine Public Utilities Commission concluded that the financial benefits of the NEB program substantially exceeded its costs. PUCNEBreport2023.pdf

The NEB program has been a useful and longstanding tool in encouraging the expansion of renewable energy in Maine, especially solar. Solar will be especially critical in the short term for Maine to stabilize electricity prices and meet its climate goals. Municipalities, schools, small businesses, and thousands of Maine residents are already participating in NEB, including entering long-term contracts. Retroactive elimination of NEB would unfairly disrupt existing NEB projects across the State.

To the extent NEB was over-subscribed, this Legislature has twice reduced its scope. In 2022, the Legislature reduced the solar generator benefit. In 2023, the Legislature reduced the "tariff program" by narrowing the number of projects that would qualify for it. The Legislature has already instituted reasonable reforms to NEB, and it can always consider adjustments to NEB in the future. Nothing calls for the extreme "elimination" or "repeal" of a program that has allowed so many Mainers to save money on energy and reduce Maine's GHG emissions.

The "reversal" or repeal of NEB in Maine sought in L.D.s 450 and 515 will destabilize a longstanding program that has already been effectively modified to address legislative concerns.

Thank you,

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