

City of Portland | Sustainability Office

Troy Moon, *Director*

To: Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology

From: Troy Moon, Director of Sustainability

Date: February 24, 2025

Re: LD 1465



**Testimony in Opposition to LD 32,
“An Act to Repeal the Laws Regarding Net Energy Billing” and LD 257, “An Act to Eliminate
the Practice of Net Energy Billing”**

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities, and Technology:

I write to you in opposition to LD 32, "An Act to Amend the Calculation of Tariff Rates and Billing Credits Under Net Energy Billing" and LD 257, “An Act to Eliminate the Practice of Net Energy Billing”

Passage of these bills would negatively affect cities and towns in Maine by unraveling net energy billing agreements established in accordance with statutes and policies established by the Maine Legislature and would undermine our ability to pursue renewable energy projects that could help us meet our clean energy goals.

Like many municipalities and school districts across the state, the City of Portland negotiated net energy billing contracts with solar developers to advance clean energy development in the state and to reduce the overall cost of electricity for municipal operations. One of the provisions in the net energy billing statute that made these agreements viable was the ability to offset demand charges as well as supply costs because demand charges account for a large portion of the electricity bill for many municipal buildings. The resulting savings associated with these long term, 20 year contracts have been incorporated into our municipal budget where they help reduce the overall cost to provide residents and businesses with vital municipal services. Passage of these bills would disrupt our existing net energy contracts by retroactively removing all costs other than supply from the credit calculation. This would unfairly and detrimentally impact the City of Portland and all other municipalities, institutions, and businesses that have agreements with solar projects that have already been built and are generating renewable energy in the State.

We have followed changes to Maine’s net energy billing laws during the past few years and recognize that the Legislature has the responsibility to amend laws and programs from time to

time as circumstances change. During the 131st Legislative Session this committee recommended and Governor Mills signed LD 1986 that made significant changes to Maine's net energy law. Importantly, that law grandfathered net energy billing agreements executed on or before December 31, 2023. We support staying the course with that law and ask the Energy, Utilities, and Technology Committee to vote that LDs 32 and 257 ought not to pass.

Thank you for your consideration.