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LD 257

I am testifying in opposition to LD 257.

Net energy billing allows utility customers to offset the electricity they draw from the grid with electricity they contribute to the grid through distributed generation.

As I understand it, these bills would limit the NEB program to only the distributed generation (DG) resources that are located on the same side of the customer's meter and that are used primarily to serve the load of that customer. That describes my home where we invested in rooftop solar eleven years ago and I depend on NEB to provide for payback of our huge investment in self sufficiency.

These bills seek to repeal or reform the laws giving the Public Utilities Commission the authority to establish a net energy billing program, as well as certain related tax exemptions. It also prohibits the commission from adopting rules that would require a utility company to allow customers to participate in net energy billing

In my opinion, Maine's Net Energy Billing (NEB) Program is a vital initiative designed to promote the development of solar energy in the State of Maine, which includes provisions for Community Solar projects, making solar energy more accessible and financially viable for residents and businesses.

The NEB Program enables Maine residents who generate their own electricity (through owned solar panels or through subscribing to a community solar project), to earn kWh credits for the surplus energy they supply back to the grid. These credits are then applied to their future electricity bills, effectively reducing their overall energy costs. The program is available to all utility customers in Maine and supports both individual and Community Solar projects.

Community Solar projects allow multiple customers to benefit from a single solar installation. The NEB Program supports Community Solar by providing a framework through which participants can earn and utilize kWh credits. Here's how it aids Community Solar for Maine residents.

- **Cost Savings:** Subscribers can save money on their electricity bills through solar credits. These savings are offered at a discount compared to traditional utility rates, making solar energy more affordable.
- **Environmental Impact:** By participating in Community Solar, residents contribute to the reduction of greenhouse gas emissions and support the transition to renewable energy sources.
- **Accessibility:** Community Solar provides access to solar energy for renters, homeowners with shaded roofs, or individuals who cannot afford the upfront costs of installing solar panels.
- **Local Economy:** Subscribing to local solar projects creates jobs and supports the local economy, fostering community resilience and sustainability.

Community solar is when many people or groups benefit from one solar energy system, known as a solar farm. It allows individuals to use solar energy without the need for panel installation. Whether you're a renter, live in a home not ideal for solar panels or prefer not to deal with the logistics of installing and maintaining a system.

The benefits of the Net energy billing kWh Program include:

- Available to all electric utility customers
- Provides kWh credits on participating customers' electricity bills
- Rate determined annually by the Commission using statutory requirements.
- Customers may choose to have their own project, such as by installing solar panels on their rooftop, or to participate in a larger project on a "shared" basis with other customers. Shared projects are sometimes referred to as "community" projects

The downsides of eliminating NEB, include for example, one success story for an NEB COMMUNITY SOLAR project in Aroostook County documented that "The elimination of the NEB program would have a devastating impact on our small

community in Northern Maine and would undermine the efforts we have made to make our community more resilient,” wrote Chuck Kelley, chairman of the Limestone Water and Sewer District, which installed more than 1,700 panels on a former industrial park in 2018.

From my perspective, NEB is a great way to create energy resiliency in Maine. Net energy billing creates a situation where those who invest in solar panels receive significant credits for the excess energy they produce. That’s a win-win for our economy, our energy supply, our environment, And for jobs creation.

I am sure you know that there are two programs within net energy billing. First is the kilowatt hour program, which is open to all customers and provides kilowatt hour credits on a participating customers’ bill if they install renewable energy generators such as solar panels on their house or join a community solar project, where customers sign up with the owner of the solar farm to receive a portion of the credits. The credits expire after 12 months. That is the one I am familiar with personally that is of utmost importance to me. The Tariff program, another form of NEB provides similar benefits to Maine I believe.

According to Lindsay Bourgoine, director of policy and government affairs for Revision Energy, explains that this system provides a mechanism to compensate those who generate their own energy, which gets fed back into the grid.

So, as I understand it, these bills would limit the NEB program to distributed generation (DG) resources that are located on the same side of the customer’s meter and that are used primarily to serve the load of that customer. While that describes my home where we invested in rooftop solar eleven years ago and I depend on NEB to provide for payback of our huge investment in self sufficiency.

It is also my understanding that Bill LD 359 would prohibit customers from having a shared financial interest in distributed generation facilities which is crucial to the development of this resilient energy source in the state. That’s certain to have a negative impact on energy resiliency in Maine.

Here is some data that supports the use of the NEB program, that Outlines the Benefits of NEB and Distributed Solar Outweigh Costs:

According to the recently published Daymark Energy study Maine’s NEB solar projects have already supported more than 540 jobs and \$60 million of economic activity in Maine. And, if the total pipeline of solar projects characterized in the Public Utilities Commission’s November 2020 report are completed, NEB projects would support close to 7,000 jobs and \$782 million of economic activity in Maine. NEB projects have also already:

- Contributed to Maine’s climate goals by reducing thousands of tons of carbon pollution;
- Helped to lower electricity bills by reducing the amount paid for energy and energy generation capacity;
- Provided thousands of dollars in increased revenues for towns and cities throughout Maine; and
- Improved the resilience and reliability of Maine’s electric grid by funding significant upgrades to our grid.

In a presentation to the energy, utilities and technology committee in January, Public Utilities Commission staff told lawmakers that the system has cost about \$130 million but has resulted in \$160 million in direct or non-monetized benefits, in part because solar developers are sometimes paying for upgrades to the grid or reducing load during peak hours, which reduces reliance on natural gas.

You may not be aware of the fact that the major drivers of increased energy supply costs in recent years have been volatile natural gas prices, which have been impacted by the wars in Ukraine and Israel, and upgrades to modernize the grid and make it more reliable and able to handle increased amounts of electricity in the coming decades.

According to the Daymark EnergyAdvisors report earlier this year, these SOLAR NEB projects provide significant retail and wholesale power cost savings, emission reductions, and economic development (jobs for Mainers).

Per Daymarks Analysis 2025

Success of the NEB program

Stimulating Maine's economy

The NEB program represents a large investment in Maine's economy

The operational projects in the NEB program have supported an estimated 549 job-years and stimulated \$60 Million dollars of economic activity within Maine. If the total pipeline of projects represented in the Commission report are completed, they would support almost 7,000 job-years and \$782 Million of economic activity in the state.

Maine's NEB program has successfully stimulated the development of small-scale solar projects that could reach 1,000 MW, without requiring any government or utility capital or long-term contractual commitment

Operational projects are currently supplying just under 1% of Maine's electric demand

If all "Active Non-Operational" and "Pending" projects were developed, over 15% of Maine's annual demand would be met by NEB solar

Program is enabling the state's decarbonization through electrification by providing emission free energy

Please do NOT ELIMINATE THE NEB PROGRAM WHICH IS WORKING FOR Mainers.