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**Testimony before the Committee on Energy, Utilities and Technology**
**in opposition to:**

**LD 32: *An Act to Repeal the Laws Regarding Net Energy Billing*;**
**LD 257: *An Act to Eliminate the Practice of Net Energy Billing*;**
**LD 450: *An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy Billing*;**
**and**
**LD 515: *An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation***

**February 27, 2025**

Senator Lawrence, Representative Sachs, and members of the Committee on Energy, Utilities and Technology, my name is Phelps Turner, and I am a Senior Attorney and the Clean Grid Director at Conservation Law Foundation (CLF). I appreciate this opportunity to testify in opposition to: LD 32, An Act to Repeal the Laws Regarding Net Energy Billing; LD 257, An Act to Eliminate the Practice of Net Energy Billing; LD 450, An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy; and LD 515 An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation.

CLF, founded in 1966, is a public interest advocacy group that works to solve the environmental and energy challenges threatening the people, natural resources and communities in Maine and across New England. In Maine for almost four decades, CLF is a member-supported organization that works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis.

CLF opposes LD 32, LD 257, LD 450 and LD 515 because they would eliminate a program that has produced significant economic benefits for Mainers and that is helping to satisfy the state's clean energy and climate obligations. It is more than appropriate to apply a cost-benefit analysis to legislation to evaluate performance post-enactment. The non-partisan cost-benefit analysis of the Net Energy Billing (NEB) program conducted last year at the direction of the Maine Public Utilities Commission (Commission) was definitive—the benefits of the NEB program exceed the costs by almost $30 million on an annual basis.[1]

The NEB program empowers public utility customers, both commercial and residential, to offset their electricity bills with electricity from small-scale renewable generators, simultaneously providing economic and reliability benefits for all of Maine's utility customers and contributing to efforts to meet the State's clean energy obligations.[2] Both the Tariff Rate program, designed for small commercial

[1] "Analysis of 2023 Net Benefits of Net Energy Billing Program," prepared for Maine Public Utilities Commission by Sustainable Energy Advantage, April 2024, https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/NEB-Y2023_CBA-LD%201986.pdf, at 1-2.
[2] *Id.* at 18-26.

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generators, and the kilowatt hour (kWh) program, designed for residential generators, have benefits exceeding their costs, with the kWh program's benefits "significantly exceeding" its costs.[3]
The report prepared last year on behalf of the Commission confirmed that the NEB program has been successful in providing economic benefits for Maine by reducing the energy load that falls on utilities and their customers, decreasing the need for expensive new infrastructure, and increasing the reliability of energy generation.[4]

The total annual cost of the NEB program for 2023 was $130.76 million, while the total benefits were more than $160 million.[5] These benefits do not include the potential job-years generated by the increased demand for renewables in the state, which could represent a significant investment in Maine's economy.[6] Furthermore, the benefits of this NEB program accrue to all electric utility customers in Maine by improving the reliability of energy generation[7] and accelerating distribution and transmission system upgrades that would have been required eventually in business-as-usual system planning.[8]

It is well-established that the resources developed pursuant to the NEB program and other policies and programs in Maine and other New England states have significantly increased the reliability of the electric power system in Maine and in the New England region. For instance, a recent study prepared on behalf of our regional grid operator, ISO New England, indicates that additions of behind-the-meter and utility-scale solar are critical to mitigating energy shortfall risks that result from significant winter load growth and retirements.[9] As the chair of the Commission noted at the time, it was a "monumental" finding that the increased expansion of solar resources, including through NEB programs, has strengthened the reliability of the grid.[10]

In addition, the NEB program will help Maine meet its climate and clean energy requirements, and to reap the economic benefits associated with meeting those requirements. In 2023 alone, the NEB program was responsible for $42.57 million in benefits from reducing greenhouse gas (GHG) emissions.[11] By continuing to promote zero-carbon energy sources, the NEB program will reduce the GHG intensity of energy consumed in the state while creating opportunities for renewable energy development.

If enacted, LD 32, LD 257, LD 450 and LD 515 would provide little benefit to Maine utility customers, significantly harm Maine's economy and impair Maine's ability to satisfy its climate obligations.

Thank you for the opportunity to submit testimony in opposition to LD 32, LD 257, LD 450 and LD 515.

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[3] *Id*. at 19.
[4] *Id.* at 6-18.
[5] *Id*. at 18-21.
[6] Coalition for Community Solar Access, "Benefits of Maine's Net Energy Billing (NEB) Program" prepared by Daymark Energy Advisors, April 2021, https://legislature.maine.gov/doc/6423.
[7] Analysis of 2023 Net Benefits of Net Energy Billing Program, at 17.
[8] *Id*. at 12.
[9] ISO New England, "Operational Impact of Extreme Weather Events," December 11, 2023, https://www.iso-ne.com/static-assets/documents/100006/operational_impact_of_exteme_weather_events_final_report.pdf, at 233.
[10] Benjamin Storrow, "Rooftop Solar was overlooked. Now it's closing a New England power plant," June 29, 2023, https://www.eenews.net/articles/rooftop-solar-was-overlooked-now-its-closing-a-new-england-power-plant/.
[11] *Id.* at 19.