State of Maine Legislature Energy, Utilities, and Technology Committee Public Hearing - February 29, 2025

Dear Committee Members,

In 2015, we installed a 10-kW solar array on our property. At the time, and still today, there are no Maine State tax incentives for residential solar installation. However, we did qualify for federal income tax credits in 2015. After researching our solar array options, we determined that producing our own electricity made financial sense, with fair compensation for any excess energy produced through net metering. We also took steps to insulate our home and use Energy Star-rated appliances to reduce our electricity needs.

Our solar panels do not impose costs on our neighbors. In fact, they reduce costs by decreasing the need for more expensive electricity, which is often derived from fossil fuels and purchased during peak demand periods from backup fossil fuel plants. With net metering, solar-produced energy is counted on a one-for-one basis year-round. Since home-produced, net-metered solar electricity does not benefit from peak electricity rates during high-demand periods, the cost of electricity is generally lower for everyone when excess solar energy is put onto the grid.

Energy Source	Transmission Loss	Cost per kWh
Solar	0 – used on-site & close by	\$0.03 - \$0.06
Wind	5-15% depending on distance	\$0.02 - \$0.06
Hydropower	5-12% depending on distance	\$0.02 - \$0.08
Natural Gas or Coal (60% of ME's electricity)	5-10%, plus additional losses from flues & cooling	\$0.05 - \$0.14

Solar power, importantly, eliminates transmission loss since it is used on-site or close by.

In October 2024, Maine received a \$65 million federal grant to modernize its electric grid, with a focus on installing advanced technology to connect more clean energy resources. This funding will support grid resilience and facilitate the integration of renewable energy sources.

Additionally, on October 3, 2024, Avangrid was awarded a **\$425 million federal capacity contract** for a transmission project in Maine. This project will enhance the power grid, create jobs, and increase property taxes for local communities, contributing to a stronger and more resilient grid infrastructure. As highlighted by Avangrid's CEO Pedro Azagra, transmission line development is crucial for **unlocking high-quality renewable energy** in the region and addressing the constraints that have stalled renewable resource development in Northern Maine.

These developments show that federal investments in grid upgrades are ensuring the costs of solar adoption are minimized, benefiting both solar producers and non-solar consumers.

Therefore, I strongly support net metering as a policy that benefits all Mainers, and I urge the committee to reject LD 32, LD 257, LD 359, LD 450, and any other bills seeking to eliminate net metering in Maine.

Sincerely,

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Alicia Romac 370 Whiskeag Road Bath, ME 04530