

February 27, 2025

Senator Mark Lawrence, Chair
Representative Melanie Sachs, Chair
Committee on Energy, Utilities, and Technology
100 State House Station
Augusta, ME 04333

Re: Testimony in Opposition to LD 359

Dear Senator Lawrence, Representative Sachs, and Members of the Energy, Utilities and Technology Committee:

Please consider this testimony in opposition to LD 359. The Coalition for Community Solar Access (CCSA) is a national Coalition of businesses and non-profits working to expand customer choice and access to solar for all American households and businesses through community solar. Our mission is to empower every American energy consumer with the option to choose local, clean, and affordable solar.

LD 359, as amended, would unravel community solar in two damaging ways. First, it would end the ability to offer shared solar. That would take away access to solar energy for approximately one-quarter of Maine households who rent their homes, plus the thousands more whose roof is not suitable for solar or who cannot afford to purchase their own rooftop system - customers that are disproportionately low income. A recent Lawrence Berkeley National Lab study showed that community solar subscribers are six times more likely to live in multifamily housing, four times more likely to rent, and earn 23% less in annual income than rooftop solar adopters.¹ These customers must be afforded options to choose local, clean energy and realize the resulting bill savings. As written, the bill would also retroactively impact several community solar projects under 1 MW that are in development or came online in early 2025, many of which have already enrolled and made commitments to customers.

Second, it would retroactively cut rates for the over 110,000 rooftop solar and community solar customers who are already participating in the Net Energy Billing program, cutting important energy savings for early adopters who made a deliberate choice to reduce their energy costs while supporting clean, Maine-made renewable energy. Reducing the bill credits from NEB to include only the supply or standard offer ignores the very real, quantified transmission and distribution system benefits proven in the annual costs and benefits report required by LD 1986.² The reduction in bill credit value in some cases will be approximately 50% - an entirely infeasible cut to working assets with firm commitments to customers, landowners, employees,

¹ Lawrence Berkeley National Lab 2024.

Available: <https://emp.lbl.gov/publications/evaluating-community-solar-measure>

² Sustainable Energy Advantage 2024. Available:

https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/NEB-Y2023_CBA-LD%201986.pdf

lenders and investors. Tariff rate projects *already* faced major alterations to the tariff rate structure; this bill would yet again reverse course on those projects and customers, and move that rate from a stable and predictable value to volatile, fast-rising standard offer prices tied to natural gas.

CCSA cautions that such retroactive changes are unjust, illegal, will result in abandoned projects and angry customers and constituents, and will deter any future investment in Maine. The Legislature has made reforms to the NEB program in three of the last four years, impacting companies that have spent millions of dollars to build non-polluting, job- and revenue-generating projects in communities across the state. These projects are operating under existing contracts that would be nullified by this bill, causing defaults on debt and broken promises to customers and landowners. To pull the rug out from under community solar providers who have acted in good faith in response to policy from this Legislature, and built assets in the State of Maine that provide millions of dollars in net benefits to Mainers, is unconscionable and unprecedented. Long-standing law upheld by the United States Supreme Court recognizes that utilities are bound by the terms of their signed contracts, and cannot make changes to rates set by those contracts.³ This bill would directly conflict with well-accepted legal precedent by putting the utilities in conflict of either upholding their NEB Agreements (i.e., contracts) with solar providers, or implementing the rate changes outlined in this bill.

Presumably, the intent of LD 359 is to address rising energy costs. However, retroactive changes to existing projects is a reckless attempt at reforms that entirely misdiagnoses the problem. The real drivers of rising electric bills are volatile and rising natural gas costs, damage from climate driven storms, and rising transmission costs. Local renewable energy provides a hedge against these issues, actually *reducing* system costs. It would be a tremendous mistake to undercut the very program that helps stabilize energy costs for Mainers.

We urge the committee to vote Ought Not to Pass on LD 359.

Sincerely,

Kate Daniel
Northeast Regional Director
Coalition for Community Solar Access

³ The Sierra-Mobile Doctrine. See *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332; *Fed. Power Comm'n v. Sierra Pac. Power Co.*, 350 U.S. 348.