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Joint Standing Committee on Energy, Utilities, and Technology

RE: 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

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Karen Blakelock and I work as the climate and energy policy advisor for the Nature Conservancy in Maine. **I appreciate this opportunity to testify in opposition to LD 32, 257, 450, and 515, all bills that propose to repeal net energy billing.**

The Nature Conservancy (TNC) is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world’s toughest challenges so that both nature and people can thrive. We work in more than 70 countries, and we use a collaborative approach that engages local communities, governments, the private sector, and other partners.

In 2023, the Legislature directed the PUC to annually determine the costs and benefits of distributed generation under net energy billing (NEB) and provide the results in yearly reports to this committee.¹ Through this process, it was found that the benefits of NEB are substantial. According to that analysis, the net energy billing program, designed to incentivize solar development to help Maine meet our renewable energy targets, has resulted in environmental benefits, reliability benefits, transmission and distribution benefits, capacity benefits, and more.

The concern about the costs associated with NEB are worth looking into—and that is being done. The PUC has an open docket on this topic as we speak, examining how some of the stranded costs under the NEB program are collected. TNC agrees that it is appropriate to ensure programs that aim to provide a public good, such as solar incentive programs like NEB, don’t overburden the most vulnerable members of society. However, it has been demonstrated time and time again that renewable energy ultimately reduces costs for the people of Maine, and that increased energy costs over recent years are due to our reliance on natural gas.²

As elected officials, I’m not surprised to learn that you often hear from constituents that are worried about rising energy costs. According to the Maine Energy Plan released in January 2025 by the Governor’s Energy Office, Maine currently spends more than \$4.5 billion on imported

¹ https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/NEB-Y2023_CBA-LD%201986.pdf

² <https://www.maine.gov/energy/electricity-prices>

fossil fuels each year, and if we continue to be dependent on natural gas, energy prices will continue to be subject to price volatility.³

There are real solutions that exist to help lower monthly energy costs for Maine households, and our state has been a national leader in investing in these technologies (like heat pumps and heat pump water heaters) however, as the three-pronged approach of beneficial electrification suggests, we must remain committed to doing all at once: 1. Increasing energy efficiency, 2. electrifying everything, and 3. ensure that the electricity we use is generated with renewable resources.

TNC supports the ongoing efforts at the PUC to review the program, determine the annual costs and benefits to ratepayers, and consider the best method of allocating stranded costs with the deep understanding that continued reliance on fossil fuels only harms our communities and our natural environment.

Lastly, I'd like to include the results of a poll that TNC conducted over the past week and received the results of this morning. The poll shows that even though the majority of Mainers see the cost of electricity as a very serious concern, 69% of Maine voters support net energy billing. The people of Maine understand that net energy billing is not the cause of electricity cost increases.

Thank you for the opportunity to testify in opposition to these bills. I am happy to answer any questions now or in the future.

³ <https://www.maine.gov/energy/sites/maine.gov/energy/files/2025-01/Maine%20Energy%20Plan%20January%202025.pdf>