



Maine Grocers &
Food Producers
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NEITHER FOR NOR AGAINST - 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 359, An Act to Prohibit Net Energy Billing by Certain Customers, LD 450, An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy Billing, LD 515, An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation

Dear Senator Lawrence - Chair, Representative Sachs - Chair, and members of the Energy, Utilities and Technology Committee,

My name is Christine Cummings and I am the Executive Director of the Maine Grocers & Food Producers Association (MGFPA). The Maine Grocers & Food Producers Association is a business trade association representing Maine's food community; Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies.

According to *MDF's 2024 Measures of Growth Report*, "Electricity is a significant cost for many businesses, especially those in energy-intensive industries such as manufacturing...The average industrial retail price of electricity in Maine rose 13% in 2023." Maine's food manufacturing and grocery sectors have a significant economic impact on the state. The supermarket industry in Maine totals \$6 billion, with nearly 500 grocery businesses.¹ While Maine's total direct economic impact across agriculture, manufacturing, wholesaling, and on and off-premise retailing creates more than 109,000 jobs, \$4B in wages and \$15B in output.²

Food manufacturers in Maine commonly use energy for various processes with significant high-use from baking, dehydrating, refrigerating, to cooling, and machine manufacturing such as pumps, conveyors, compressors, fans, mixers, and grinders. Grocery retailers are also higher energy consumers primarily attributed to their extensive use of refrigeration and lighting systems, which are essential for food preservation and display.

Maine's grocery stores have been making efforts to reduce their energy consumption. Many have implemented energy-saving measures such as replacing old lighting with LED lighting in refrigerated display cases, energy audits to find solutions for lost energy in refrigerated cases, coolers, and even implementing simple changes such as ensuring equipment is turned off when not in use. In addition, our industries have explored, and some have been able to capitalize utilizing the U.S. Department of Agriculture (U.S.D.A.) Rural Energy for America Program (REAP) funding, for upgrading equipment to drive energy efficiency and/ or capitalize on renewable energy.

Electricity prices continue to be a top issue for our members and they're seeking reprieve. Maine's rising energy costs pose a significant challenge to businesses, threatening economic growth, job stability, and overall competitiveness. As one of the most energy-dependent states in the nation, Maine's businesses—especially small retailers, manufacturers, and food producers—face mounting utility expenses that cut into already tight profit margins (1.6% retail and 7.5% food manufacturing net margins)³.

¹ <https://theshelbyreport.com/2025/02/26/maines-rural-character-aging-population-shrinking-workforce-affect-grocers/>

² *The 2024 Feeding the Economy report*

³ *The Food Retailing Industry Speaks 2024*

High energy costs not only drive up operational expenses but also discourage business expansion and deter new investments in the state. Without strategic solutions, such as increased energy efficiency initiatives and policy reforms that stabilize rates, Maine risks losing its economic edge. To sustain a thriving business community, attract innovation, and protect jobs, Maine must urgently evaluate and address the factors driving these costs and implement forward-thinking solutions that ensure long-term affordability and energy security.

Thank you for the opportunity to provide testimony.

A handwritten signature in black ink that reads "Christine Cummings". The script is cursive and fluid.

Christine Cummings
Executive Director