



Maine Conservation Voters

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Testimony in Opposition to LD 359, An Act to Prohibit Net Energy Billing by Certain Customers

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Lucy Hochschartner, and I am the Climate and Clean Energy Director with Maine Conservation Voters (MCV). MCV represents over 14,000 members and supporters who are building a just, thriving future for all by acting on the climate crisis, protecting the environment, and safeguarding our democracy. I am here today to testify in opposition to the sponsor's amendment to LD 359, An Act to Prohibit Net Energy Billing by Certain Customers.

Per S&P Global Commodity Insights data, household electricity prices in Maine rose 65.5% between 2018 and 2023. That was almost three times the rate of inflation and more than any other state in the country.¹ The recent ERAC report on energy burden estimates that low-income households in Maine have an average electricity burden of 8% — more than twice what is considered affordable, though that may not fully capture assistance that these households are receiving.² It is clear that Maine families are in crisis. Electricity is a basic need, and MCV is working diligently on both near-term and long-term solutions to move toward universal access.

While it is not the entire solution, clean electricity is a critical part of *any* affordability solution. Fossil fuels are costing us. In 2021, Maine spent more than \$4.7 billion on imported fossil fuels. To keep that money in customers' pockets and in our own local economies, we need to electrify and transition to clean forms of electricity generation. Furthermore, these fossil fuels are also worsening storms that are having an increasingly large effect on our electricity costs. Net energy billing has been a critical policy tool to help us bring clean and Maine-made solar generation online.

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<https://www.spglobal.com/market-intelligence/en/news-insights/articles/2024/8/rising-us-power-prices-relect-new-reality-for-utilities-in-warming-world-82591284>

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https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/VEIC_Maine%20Energy%20Burden%20and%20Affordability%202024_2.pdf

Like any resource, that has cost money. However, it has also brought incredible benefits to ratepayers and our society. In 2023, for every dollar invested in the grid through this program, there were \$1.29 in benefits.³ These benefits ranged from reducing transmission and distribution needs to suppressing prices by shaving peak demand. We need to ensure that moving forward, the state continues to invest in these kinds of benefits.

Unfortunately, this bill is a haphazard roll back of a program. For instance, It makes little sense that customers be compensated for supply, but not delivery, when analysis makes clear that avoided delivery costs due to solar projects being more frequently colocated with their end point use is one of the major benefits of the current program.⁴ Furthermore, this bill ties credits to the standard offer once more, which will lead to cost volatility due to our region's reliance on natural gas — the very issue identified with the original program. In addition to being irresponsible policy-making, it will not be the magic bullet for affordability, because solar is such a small component of customer bills.⁵

I believe we all share the goal of ensuring that all customers have the electricity they need to thrive, and if that is the case, there are many other avenues we can take to address the problem. We could take the lead of utilities like LA Water and Power, which ended disconnections, France's utility EDF, which provides a lifeline amount of electricity to all customers, expand our efficiency and weatherization programming, continue to build out clean electricity generation that allows us to get off volatile and expensive fossil fuels, lean into beneficial electrification, or address the \$210 million in profit CMP and Versant brought in last year.

I wholeheartedly agree that we need to make electricity more affordable, but this is not the way. I urge you to vote no on LD 359, thank you.

Sincerely,
Lucy Hochschartner

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<https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/Solar%20-Y2023%20-CBA%20-%20LD%20327.pdf>

⁴ <https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/NEB-SEA%20Report%20-Final.pdf>

⁵ <https://www.maine.gov/mpuc/regulated-utilities/electricity/rate-history>