

TESTIMONY NEITHER FOR NOR AGAINST

L.D. 1317—AN ACT TO PROMOTE RESPONSIBLE, COST-EFFECTIVE ENERGY IN MAINE BY AMENDING THE TARIFF RATES APPLICABLE TO THE COMMERCIAL AND INSTITUTIONAL NET ENERGY BILLING PROGRAM

AND

L.D. 1321—AN ACT TO REFORM NET ENERGY BILLING BY ESTABLISHING LIMITATIONS ON THE PROGRAMS' DURATION AND COMPENSATION

April 10, 2025

Senator Lawrence, Representative Sachs, and members of the Committee on Energy, Utilities and Technology, I am Steven Bailey, executive director of Maine School Management Association, testifying on behalf of the legislative committees of the Maine School Boards Association and Maine School Superintendents Association neither for nor against L.D. 1317 and L.D. 1321.

As our associations have shared in previous testimony on this issue, we do not wish to wade into the specifics of net energy billing, as this is a complicated issue that has split legislators, interest groups and public officials. However, we hope your committee will consider the impact that this program has had on our schools and energy costs, and the potential effects of any potential changes on taxpayer-funded budgets.

We know of at least 60 school districts that have signed net energy billing contracts, resulting in substantial energy savings at a time of unpredictable energy prices. Many districts report savings ranging anywhere from tens of thousands of dollars to up to \$100,000 per year.

These are meaningful amounts for a school district. Less money spent on energy means more funds for teachers, programming, or to use to limit the property tax burden on residents. During challenging school budget seasons, any savings are appreciated. This is particularly true this budget year, as many districts are unfortunately considering layoffs to reduce property tax increases.

Again, we are not seeking to weigh in on the overall merits of these particular proposals, but we hope you will recognize the impact of these policies on our school and municipal budgets. We hope our schools' existing energy contracts are honored moving forward, and we do not want to see energy costs rise for our schools.