

Testimony of Jeffrey Jones, P.E (jeff@jonespe.com) Neither For Nor Against L.D. 1860 An Act to Allow Certain Distributed Energy Resources to Participate in the State's Net Energy Billing Program

Chair Pro Tempore Kessler and esteemed members of the committee. I am Jeff Jones of Bangor. I run Maine Power, the Large Class Standard Offer Provider for most of the state.¹ But that's not why I'm here. I am here because I'm tired of seeing us throw money out the window with NEB and only speak now to provide some information that may be helpful in answering questions that were asked earlier. However, after hearing from Public Advocate Sanborn and Deirdre Schneider from the MPUC, I should have been Against. It seems that the legislature is not the place for this request.

Here are the four items that I found for pricing comparisons:

1. NEB - CMP's Residential rate is 12.8 cents (variable portion only) and the Small Standard Offer price for 2025 (as it was in 2024) is 10.6 cents per kWh for a total of **23.4** cents value in offsets. This is clearly the most profitable for generation.
2. Wholesale market generator - Per ISO-NE, the average real-time price for wholesale power in New England in 2024 was \$39.50 per megawatt-hour, about 4 cents per kWh. We saw REC market prices for Class I/IA were roughly the same as the energy price. I cannot say what they may additionally receive for capacity and other market products. That's **7.9** cents.

The cost for energy only (not including RECs or other products) from Long Term Contracts per the table in the recently published MPUC Annual Report to the EUT for 2024 was:

3. Community Based Program – Energy only was 9.6 cents per kWh., so adding RECs, they got about **13.6** cents for those two revenue streams alone. I note that these bid prices came very close to the legislatively determined price limit of 10 cents for those arrangements.

¹ I am a licensed Professional Engineer (electric power) with an MBA. I have worked in the utility industry for almost fifty years, forty of those with a major utility where I served in many functions. I have always tried to make sure electric bills were fair and AFFORDABLE for our customers. I also volunteer with the Citizens' Climate Lobby, but today I am here as a concerned citizen and former utility rates manager in support of revising our Net Energy Billing (NEB) laws.

4. 35-A M.R.S. §3210-C – Energy only was 4.5 cents per kWh, so adding REC value, about 8.5 cents. This is consistent with the wholesale spot market generator above and reflects the added value of an assured price through a Long Term Contract vs. spot market energy.

Thank you for your time and please let me know if you have any questions.