



Committee on Energy, Utilities and Technology c/o Legislative Information Office 100 State House Station Augusta, ME 04333

## RE: Public Hearing, LD 1936

Dear Senator Lawrence, Representative Sachs, and Members of the Committee,

The Alliance for Climate Transition ("ACT") appreciates the opportunity to submit comments to the Committee on Energy, Utilities, and Technology ("the Committee") in opposition to LD1936.

ACT leads the just, equitable, and rapid transition to a clean energy future and a diverse climate economy. ACT is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. ACT members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and "smart" technologies.

ACT is dedicated to growing the clean energy economy in Maine and across the region, in pursuit of our mission to create a world-class and equitable clean energy hub in the Northeast. Our 300+ members include companies based in Maine, doing business, or hoping to make future investments in the state.

ACT strongly opposes LD 1936, which proposes to make retroactive changes to state policy, upon which people relied in good faith. This would be detrimental to Maine's energy transition, to many of Maine residents who invested in energy resilience technology for their homes and businesses in part based on trust that the state would not make backward-looking policy changes, and to Maine's reputation as a place where businesses want to invest. It threatens to significantly damage the working relationship between businesses, individuals, and the state and potentially result in negative ripple effects across the region by removing the ability to rely on policy stability in the State of Maine.

This bill harms the development of solar energy, renewables, and potentially many other business investments within the state. It proposes multiple changes to the Net Energy Billing ("NEB") program that prevent new investment directly, by cutting off NEB eligibility at the end of 2025– and, indirectly– by retroactively harming already existing investments. Many of the changes proposed in this bill would serve as a signal to consumers and to the industry that

Maine is not able to provide a reliable and consistent policy framework for business investments.

The bill further disincentivizes business investments in Maine by discriminating against out of state businesses by establishing a separate compensation framework for the nonresident program. Maine benefits from building solar systems within its geographic boundaries regardless of where the owner company is located and should not push away that investment by providing a program structure that differentiates NEB participation based on ownership status. Instead, the state should provide consistent and equal opportunities to businesses to invest in building energy resources in the state to and provide innovative solutions to modernising and stabilizing the electric grid.

Over 110,000 Maine residents and businesses are NEB customers, including homeowners, renters, municipalities, hospitals, non-profits, and small businesses—all of which see direct savings on their electricity bills. Furthermore, over 60 Maine public schools and school districts take part in NEB. These customers rely on the state's NEB programs to provide energy for their homes, businesses, and schools and help advance Maine's clean energy goals. LD 1936 would not only harm residents and businesses, but also impede the state's ability to meet its 100% clean energy targets by 2050.

Without NEB, investments in modernizing energy infrastructure woould decline, resulting in inefficiencies and increased long-term operational costs. These investments support the local and distributed generation of renewable energy, easing peak demand on the grid and ultimately reducing electricity costs for all ratepayers by limiting reliance on peaker plants and costly transmission upgrades. An <u>independent study</u> commissioned by the Maine Public Utilities Commission shows every \$1 invested in NEB generates \$1.23 in benefits, providing nearly \$30 million more in benefits than costs.

All Maine residents ultimately benefit from NEB and smaller-scale solar and other renewable energy generators. Solar energy and other renewable energy sources are produced in the state, creating jobs and allowing Maine to rely less on global, volatile fossil fuel markets and continue to build a more resilient, independent energy system.

We emphatically urge the Committee to vote "Ought not to pass" on LD 1936. Thank you for your consideration and continued commitment to ensuring Maine has reliable, affordable, and sustainable sources of energy.

Sincerely,

/s/ Tim W. Snyder
Tim W. Snyder, Vice President of Public Policy and Government Affairs
The Alliance for Climate Transition