



Senator Mark Lawrence
Representative Melanie Sachs
Joint Committee on Energy, Utilities, and Technology
Legislative Information Office
100 State House Station
Augusta, Maine 04333

May 15, 2025

Testimony re: LD 1949, “An Act Regarding Energy Fairness” from ReVision Energy

Senator Lawrence, Representative Sachs, and Members of the Joint Standing Committee on Energy, Utilities, and Technology:

Founded in Liberty in 2003, ReVision Energy today boasts more than 200 co-owners across the state in our Montville and South Portland locations. As a certified B-Corporation, 100% employee-owned clean energy construction company, we develop, install, and maintain residential, community, and commercial solar, as well as storage, EV charging, and heat pumps. We are present here today to speak in support of multiple sections of this legislation, specifically Sections C-2, C-3 through C-5, and D-6.

Section C-2: Utility Customer Billing Transparency

ReVision Energy most strongly advocates for section C-2, regarding limitations on administrative charges. All utility customers deserve transparency and accuracy when billed for services beyond regular monthly electrical services, such as interconnection or line extensions. This section requires that a utility bill of this nature must identify and disclose all administrative charges—defined as an administrative service charge, an indirect overhead cost, or a cost adder, but not including labor, materials, or supplies. The section also requires Public Utilities Commission (Commission) oversight through a proceeding occurring every five years to investigate such charges and ensure accuracy and proper disclosure.

In 2005, the Commission opened a docket, 2005-00520, to investigate administrative charges in a particular case. Essentially, a customer in Baldwin road sought a line extensions from the utility to service his new home and received a bill with a 26% ‘administrative support adder’ and ‘profit adder.’ The customer argued this was arbitrary and an overhead rate that had not been scrutinized by the Commission. The docket ultimately resulted in the bill’s reduction and Commission approval of a 16% administrative adder, now known as an “Administrative Support Charge (ASC),” formally established in Central Maine Power’s (CMP) 2008 rate case in docket 2007-00215.

While the 16% charge was determined reasonable for coverage of overhead on line extensions specifically, CMP has continued its use of the charge for other items without any further investigation. Rate cases to date simply note “the utility determined its revenue requirement using the ASC rate of 16% for line extensions *as well as miscellaneous services for which CMP charges up front.*” In their Terms & Conditions, CMP cites the 2005 and 2008 cases as the basis for the ASC.



The utilities are required to file line extension costs for load customers annually, per Chapter 395 Compliance Filings. This includes disclosure of costs in aid of construction, administrative support adders, ROI for vehicles and materials, and overhead on materials, labor, and external services (See Docket 2024-0024). But this process is too limited in scope—first, it is only to approve charges for load customers, not for interconnecting customers, and second, this process has never investigated overheads to see if they are just and reasonable. LD 1949 ensures an investigative process for all customers—whether load or interconnecting.

To be clear, this bill does not debate the 16%, nor does it dispute the concept of such a charge. It simply asks the Commission to ensure reasonably frequent oversight into if the rate is just and reasonable and if it is applied with accuracy and transparency. In our experience, it is not.

Let's evaluate a sample interconnection cost reconciliation bill that we received in 2023: a redacted copy appears in Exhibit 1. This bill was for a 1.5 MW AC project's interconnection, at \$1.7 Million and included only four line items: contractors, labor, materials, and other. There is no break-out or labeling of what is in each category, or what overheads or markups were applied. It is unclear what is within the "other" category, and given it is not equal to 16% of the bill, we assume it is not the ASC. The only details we have are in the fine print, which notes an ASC was added "for miscellaneous services."

This lack of clarity has led to years of dispute resolution. While we have received more information through that process, it has taken us nearly three years to do so. This is quite frankly an unacceptable use of time and resources for all parties involved. Ultimately, we have learned that approximately 40% of the total costs for line extensions for interconnecting customers are indirect fees (a combination of the ASC, traditional overhead, indirect pooled costs, and allocations). More specifically, 22% is administrative charges and 18% is indirect overhead from contractors. We have been told that the 16% ASC is charged on top of each line item (except "other"), so there are in fact places in which overhead is being charged on overhead. All this to say—scrutiny and transparency in this billing process is critically necessary, especially for bills of this magnitude.

LD 1949 rightfully requires the utilities to adequately label customer bills and enables Commission oversight into administrative charges. We believe such scrutiny and transparency should be awarded to all utility customers, and we thank the bill sponsors for bringing this important issue forward.

Section C-5 through C-5 and Section D-6: Net Energy Billing

In a similar vein to our concerns above, in light of stranded cost reconciliation, some utilities have added so-called "public policy charges" to monthly electric bills. However, there is varying information on bills and in information provided by the utilities about what these charges cover. It should come as no surprise to this committee that in recent years, utilities have highlighted these as "Net Energy Billing" charges or "Solar" charges, when in fact both stranded costs and public policies funded through ratepayer bills include much more than just net energy billing or solar—but bills include no information about payments to Maine Yankee or Efficiency Maine Trust funding or our state's LIAP program. Such misinformation drives a false narrative and has certainly led to major political ramifications. LD 1949 respectfully asks if a utility chooses to label such charges as "public policy charges," that they accurately describe the costs and benefits of all components of these charges. We believe ratepayers deserve this transparency.



Finally, Section D-6 accelerates the Commission's investigation into additional cost management mechanisms for the state's Net Energy Billing program. As this Committee will remember, in 2023, the legislature advanced LD 1986 to make multiple changes to NEB. One provision required the Commission to evaluate opportunities to reduce program costs through long-term financial mechanisms and buy-down arrangements in consultation with the Finance Authority of Maine. However, to date, that proceeding has not been opened. LD 1949 seeks to accelerate the Commission's timeline and request that such a docket is initiated by the end of the year and a report is given to this Committee regarding the results in early 2026. We understand the concerns regarding the costs of NEB, and we again thank the bill's sponsors for advancing creative strategies to reduce such costs without instigating retroactivity.

Sincerely,

/s/ Lindsay Bourgoine

Lindsay Bourgoine
Director, Policy & Government Affairs
ReVision Energy

Exhibit 1: Sample Utility Bill for Interconnection**Company Data**

Central Maine Power
83 Edison Drive
Augusta, ME 04336

Customer Data**Reconciliation Statement****Service Location****Statement**

Statement Number:
Statement Date:
Customer Number:
Due Date:
Description:
Contract #:

This Reconciliation Statement includes the Total Distribution Cost of **\$1,693,485.19**, which refers to your payment in advance of your current IA Cost. This statement also serves as your invoice. Pursuant to Chapter. 324 §13 (J) payment is due on May, 11th 2023.

Payment instructions:

Description	Amount
Contractors	1,053,274.48
Labor	33,294.83
Materials	375,948.66
Other	230,967.22
Total Distribution Cost	\$1,693,485.19
Advanced Payment	\$739,859.00
Amount Due	\$953,626.19

Please reach out to CMP with any questions or concerns and communicate them back to me as we are available to discuss your invoice with you.

: CENTRAL MAINE POWER TERMS & CONDITIONS, PAGE 1.4, FIFTH REVISION, 1.11 b. - For services performed at the Customer's request, CMP will include in its costs a charge to recover indirect administrative and general expenses. An Administrative Support Charge to recover such costs will be applied as follows:
b. For miscellaneous services whereby CMP charges upfront for such services, the Administrative Support Charge will be 16% of the total cost of the service, excluding the Contribution in Aid of Construction as described in Section 1.8 of CMP's Terms and Conditions.

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