



**Testimony in Opposition to LD 1792:**  
“An Act Regarding the Energy Policy of the State”

Senator Lawrence, Representative Sachs, and the distinguished members of the Committee on Energy, Utilities and Technology, my name is Harris Van Pate and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free-market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in opposition to the newly amended LD 1792, which seeks to legislatively override the Public Utilities Commission’s April 30, 2025 decision in Docket No. 2024-00137.

**The Commission’s Decision: Siding with Ratepayer Fairness**

On April 30, 2025, the Maine Public Utilities Commission rejected a stipulation regarding stranded cost rate design that would have unjustly redistributed costs from large industrial electricity consumers to residential, small, and medium-sized consumers. This was the correct decision.

The Commission shielded these ratepayers from unfair cost shifts and regressive utility billing by maintaining a rate design in which fixed charges are used for residential and small commercial customers. The proposed stipulation would have forced these customers—most of whom do not participate in Net Energy Billing (NEB) programs—to pay more to subsidize already-powerful industrial actors.

This would have violated principles of equity and contradicted the statutory requirement that rates be just, reasonable, and nondiscriminatory. While it should be noted that the existing energy producer costs will still be in part passed on through prices to consumers, directly levying them onto consumers will even further unfairly and regressively harm the average Mainer. To be clear, Maine Policy does not support the state’s NEB program. We do not want consumers of any size to be harmed by the policy. But we do not support shifting a higher share of stranded costs onto everyday Mainers.

**Undermining Regulatory Integrity and Good Governance**

One of the bill’s most troubling aspects is its attempt to legislatively reverse a technical, fact-based decision rendered by the independent Public Utilities Commission. If enacted, this amendment would set a dangerous precedent by politicizing Maine’s utility rate-making process and stripping the Commission of its independence.



Regulatory certainty is essential to a functional energy marketplace. Allowing rates to be dictated by political influence rather than data-driven analysis invites chaos, investor uncertainty, and erosion of public trust.

### **MPI's Broader Opposition to NEB and the Lesser of Two Evils**

While the Maine Policy Institute fundamentally opposes the NEB program, due to its high cost, limited effectiveness, and inequitable design, we recognize that the Commission's order prevents the worst outcome: further direct cost-shifting onto consumers.

So long as Maine insists on pursuing NEB as a climate strategy, it should at least attempt to avoid hoisting those costs onto the average ratepayers. The sponsor amendment would abandon that fairness principle to appease politically influential energy developers. While we wholly sympathize with Maine's industrial consumers that net energy billing is an unfair and burdensome policy as a whole, we can't condone a bill that increases costs levied onto residential Maine ratepayers. The answer is to wholesale eliminate this policy, not arbitrarily shift costs around.

### **Conclusion: Stand with Consumers, Not Special Interests**

Maine's energy policy must be guided by fairness, transparency, and long-term affordability. LD 1792 runs counter to these goals. It would impose unjust costs on everyday Mainers, destabilize our regulatory framework, and reward the very interests that created the imbalance the Commission sought to fix.

For these reasons, Maine Policy Institute respectfully urges you to reject this bill and uphold the Public Utilities Commission's April 30 order in Docket No. 2024-00137. Thank you for your time and your service to the people of Maine.