

Steven Ingalls
Stetson
LD 1777

On May 22, 2025, I submitted two online testimonies, neither for nor against LD 1777, as amended by the sponsor on May 21, 2025. Later in the day, on May 22, 2025, a further amendment was submitted by the sponsor. Please add the following suggestions to my original two testimonies from May 22, 2025.

1) New section. 35-A MRSA Section 3029-A sub 8 Unused kilowatt-hour credits; rules. In this section amend the language to provide that a) unused net energy kWh credits do not expire, b) unused net energy kWh credits can be transferred or assigned to another account, either of the same customer or to a different customer, that are with the same transmission and distribution utility and in the same ISO-NE load zone, c) that customers may donate accumulated unused net energy kWh credits to the commission for the benefit of individuals receiving needs-based low-income assistance under 35-A MRSA section 3214 subsection C, if the customer instructs the transmission and distribution utility to do so, d) if a customer, or their legal representative closes a transmission and distribution utility account without instructions as to the disposition of unused net energy kWh credits, that the transmission and distribution utility will remit the value of the accumulated unused net energy kWh credits to the commission for the benefit of individuals receiving needs-based low-income assistance, as referenced above, on or before January 1st of each year.

2) New section. 35-A MRSA Section 3214 sub-2. Amended this section, as may be needed, to reflect what is described above.

3) Sec. 9 Net energy billing successor program. As OPA Heather Sanborn discussed at the May 22, 2025, EUT work session, add in language that the net energy billing successor program shall not create net energy billing related stranded costs.

I conclude by referencing readers to my two prior online testimonies. the summary of which is below, for ease of reference:

(Original online submission on May 22, 2025). I am writing neither for nor against LD 1777, as amended by the Sponsor on May 21, 2025. The following are my suggestions for further amendment considerations:

1) Sec. 1 35-A MRSA sub. 3209-F (1) is enacted to read: "1. Applicability of Charge. Notwithstanding any provision of law to the contrary, for all front of the meter distributed generation projects, as defined by the commission, receiving kilowatt-hour credits pursuant to section 3209-A, subsection 3, a monthly volumetric charge equal to 75% of the effective transmission and distribution rate on December 31 of each year for the rate class that includes the residential rate A class of the investor-owned transmission and distribution utility shall be assessed, beginning January 1, 2026 and adjusted on January 1st of each subsequent year. The charge shall be calculated based upon the actual metered generation of the front of the meter distributed generation project." Note that the remainder of what is proposed under (A) Exception for Cooperatively Owned Projects and (B) Exemption for Significant Economic Hardship would continue to be included.

2) Sec. 1. 35-A MRSA Section 3209-A sub-10 enactment - Commission Certification. In this section I would suggest some additional language that places some level of restriction on how much in front of the meter distributed generation resource renewable energy credits that can be sold out of State.

3) Additional New Suggested Sections -

a) "Sec. 8. 36 MRSA Section 656 sub-1, paragraph L, is amended to read: For property tax years beginning on or after April 1, 2025, solar energy equipment that generates heat or electricity if all of the energy is used on the site where the property is located. On or before April 1st of the first property tax year for which a taxpayer claims an exemption under this paragraph, the taxpayer claiming the exemption shall

file a report with the assessor. The report must identify the property for which the exemption is claimed and must be made on a form prescribed by the State Tax Assessor or a substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and make the forms available to taxpayers."

b) "Sec 10. 35-A MRSA Section 3214 sub-2, paragraph D, is enacted to read: Receive funds collected by the Sales and Use Tax on the sale or delivery of kilowatt hour of electricity to net energy billing customers as defined by the commission for which no money is paid to the electricity provider or to the transmission and distribution utility."

(Follow up online submission on May 22, 2025) Earlier today, on May 22, 2025, I submitted online testimony, neither for nor against LD 1777, as amended by the sponsor on May 21, 2025. I inadvertently forgot one further suggestion for an amendment to consider. Please add this suggestion to my suggestions from earlier today.

- Sec. 3 35-A MRSA section 3209-B, sub. 5-A Tariff rate, bill credits effective July 1, 2026. In this section, in all places where reference is made to "plus 75% of the effective transmission and distribution rate", I suggest to instead either a) strike this 75% add on provision altogether or b) reduce the 75% to 25%. The intent of my suggestion being to either eliminate or reduce the amount of stranded costs that are attributable to the tariff rate bill credits including the addition of transmission and distribution rates in the bill credit calculation. Although I favor eliminating the tariff rate program having any transmission and distribution cost in its calculation, at least reducing the amount from 75% to 25% would make substantial progress towards lowering the stranded costs related to this. The 25% would also more closely align with my suggestion from earlier today regarding the kilowatt-hour credit program monthly volumetric charge calculation.