

Testimony of NRG Energy, Inc.

LD 2112

**An Act to Authorize Municipalities to Form
Community Choice Aggregation Programs To Procure Electricity**

**Energy, Utilities & Technology Committee
January 22, 2026**

Chair Lawrence, Chairs Sachs, Members of the EUT Committee. I'm John Holtz from NRG Energy. We are here to support LD 2112.

Energy affordability is top of mind for everyone these days. This bill would give Maine electricity customers a third option for getting the best deal for their energy needs: Standard Offer Service, retail choice, and *community* choice.

Community choice aggregation, also referred to as municipal aggregation, allows cities and towns to leverage the collective buying power of their residents and businesses to get the best price, products, and service for electricity.

NRG's retail affiliates have served community choice aggregation programs over the last two decades-plus in all eight states where the option is active. Those states are California, Illinois, Massachusetts, New Hampshire, New Jersey, New York, Ohio, and Rhode Island. NRG has been the provider to more than 100 programs, from small villages to the City of Boston. In fact, I was on the management team when one of NRG's companies served a community choice aggregation consortium encompassing 90 communities and a half million residential meters in the early 2000s. We can tell you first-hand that community choice aggregation works for customers.

LD 2112 puts the needed flesh on the two-sentence bones about aggregation in Section 3202.

Let me highlight several reasons why Maine should implement community choice aggregation.

Community choice aggregation is built on transparency and trust. Community choice aggregation is a very open, public, and informed process from beginning to end. It starts with local elected officials forming a program through a public process. There are public meetings where residents can ask questions and learn more about the program. Residents get informational materials and notices every step of the way. The supplier, pricing, and

products are selected through a public bid. As required by this bill, the Public Utilities Commission would develop the rules to ensure consumer protection. *Community* choice aggregation means *community* control. Municipal leaders, entrusted by their constituents to act in their best interest, oversee the program, including vetting of suppliers and contracts.

Participation in community choice aggregation is entirely *voluntary*. Customers can choose whether to participate, as well as which products they want to subscribe to. Customers are not forced to stay in a community choice aggregation program. Customers can freely come and go as they want. Customers can elect to stay with or return to Standard Offer Service, or they can shop around with licensed Competitive Electricity Suppliers at any time.

Community choice aggregation programs are self-funded. There is no burden on local budgets, no tax on local residents, nor any cost to utility ratepayers. Programs create a revenue stream through an “operational adder” - - typically a fraction of a penny per kilowatt hour - - to fund energy-related initiatives or administrative costs.

Community choice aggregation ensures consumer protection. There are no intrusive sales channels such as door-to-door or telemarketing. Supply contract terms are designed to protect consumers with price stability; that means no introductory or variable rates. Municipal authorities vet brokers and suppliers. The PUC will review all customer communications.

Community choice aggregation can help Maine achieve its decarbonization goals. The scale of customer participation in programs can become a “climate action marketplace” for mass adoption of clean and smart energy technology, such as support for renewable energy, optimization of smart thermostats, virtual power plant programs, energy efficiency, demand response, and distributed energy resources.

Local utilities continue to be the poles and wires company. The electric distribution and transmission company delivers energy, maintains reliability, and performs customer billing, the same as ever.

The proof that community choice aggregation works is happening down Interstate 95 in Massachusetts.

According to the Massachusetts Department of Public Utilities, in 2023 - - the latest available annual data - - customers saved \$882.7 million compared to Basic Service. The average annual savings for customers compared to Basic Service was \$759. There are 145 municipal aggregation programs in Massachusetts serving more than 1.2 million customers. More than half of the CCA programs include renewable energy as the default

offer, of which 44% include MA Class I RECs. In 2023, 645,000 MA Class I RECs (MWHs) were sold in CCA programs; 1,004,000 non-MA Class I RECs.

Let me leave you with one last endorsement for community choice aggregation. Community choice programs serve nearly 11 million customer accounts across 1,400 communities in the U.S. I'm not aware of a state legislator, public utility commission, local mayor or group of customers who would want it to go away.

Thank you for listening.