



**Testimony in Opposition to LD 417
An Act To Facilitate Net Energy Billing
March 2, 2023**

Senator Lawrence, Representative Zeigler, and members of the committee, my name is James Cote and I am here today on behalf of Versant Power in opposition to LD 417.

Versant Power continues to work diligently alongside stakeholders, including developers, advocates, regulators, and policymakers to enable our billing system to accommodate recent significant changes in Net Energy Billing (NEB) policy. We believe that NEB programs can create benefits for customers, but those benefits must also be balanced against costs that may accrue to other non-NEB customers. Versant Power is committed to working with the Legislature and the MPUC to implement policy decisions, and will continue to provide context to policymakers as they consider changes about the resources that would be required to implement them, expected impact on customers, and any alternative approaches that may potentially mitigate some of these concerns.

It is important to point out that LD 417 is very similar in content to LD 1955 that the EUT committee of the 130th Maine Legislature unanimously rejected. For reference, our testimony from 2021 in opposition to that legislation is also attached.

Versant Power believes the committee was correct to conclude that the significant ratepayer costs of LD 1955 were not justified by the benefits that would have accrued only to a small number of companies. However, in an effort to serve our customers and collaboratively find solutions where possible, Versant Power worked with the proponent of LD 1959 after the legislative session to provide them access to our Competitive Electricity Provider (CEP) data portal, which includes most (but not all) of the information included in LD 1955. After providing this access, Versant Power received no additional requests to discuss the matter until LD 417 was printed a few weeks ago.

Versant Power is committed to working alongside developers, policymakers, regulators and other stakeholders to efficiently implement duly adopted state policies. At the same time, we remain willing to consider changes to the ways in which Versant Power handles our billing and crediting systems for NEB project sponsors outside the legislative process and are pleased to participate in ongoing conversations.

Pending such discussions, however, Versant Power provides the following specific testimony on the text of LD 417 as drafted and the proposed amended version:

C-1, "Net energy billing data. Much of this data is already provided in the CEP portal, including monthly electricity usage, rate and sub-rate classes. Further, the company's recently redesigned customer invoice provides detailed information to Versant customers on the their allocated generation credits, applied credits, and banked credits. From a technical perspective, much of what this section is asking the utility to do is difficult, as we currently aggregate all of a customer's banked credits to report on their bill. For customers that may



participate in multiple NEB programs (e.g. both rooftop and community solar) a utility would be required to disaggregate this data to show a report of all the expiration dates. This would require a redesign of the current monthly invoice, adding additional pages that would be paid for by all customers.

Additionally, some of this section would require further redesign of our bill and our billing system. Currently, Versant uses the customer's usage, less NEB credits, and then calculates the bill based on the remaining kWh, if applicable. Section C-1 proposes to change this to calculate the bill first, show a reduction in the bill based on the NEB credits, then show a reduction on the bill, and then the net amount owed.

9, Utility data and crediting. Versant believes that implementation of this section would require a waiver of Chapter 815 of the Commission's rules, which governs customer privacy. Additionally, while Chapter 313 allows for all NEB participants to be in one bill cycle, Versant Power deliberately built its billing system so that it would not be necessary to place all NEB customers in one billing cycle as its nightly billing cycle cannot accommodate more than 5000 bills in a single night. Requiring Versant to bill all NEB customers within seven days of month end may become problematic from a bill cycle capacity perspective as more customers enroll in NEB programs. Furthermore, customers not enrolled in NEB would need to have their bill cycles moved to free up capacity for NEB bills in the first seven days. In reference to parts 9-A through 9-E, there are several components that would require a new portal or significant billing system changes, a cost that would be borne by all customers.

10, Billing errors. We question the need to treat NEB customers as a different class of customers from all others when it comes to billing errors. There is currently a bill error process that we follow as directed by the MPUC, and NEB bill errors are already included in that process.

11, Complaints and Minimum performance standards. Again, we question why NEB customers should be treated any differently than all other customers. We believe a separate metric would be burdensome and provide little value to customers.

Customer Privacy: Current rules rightly prohibit the sharing of potentially sensitive customer information without the customer's express consent. This legislation proposes reversing that requirement, essentially mandating the sharing of billing information without an affirmative requirement that a customer first opt-in to the utility sharing of this data. Moreover, customers are already free to share billing data directly with their NEB project developers.

As for the cost to implement this legislation, we are only able to provide a rough estimate. With the new customer interface, changes to how the credits are applied on the bill, potential changes to how we cycle bill, disaggregation of banked credits, changes to how we apply banked credits, etc.- there are substantial system and bill redesign changes. Our initial estimate is over a one million dollars, and we believe that to be conservative. Versant is also beginning a system upgrade project and it would be difficult to prioritize these proposed changes over others that will benefit all customers.



Versant Power is committed to faithfully implementing any policy changes, however, we question whether the significant costs necessary to implement these proposed requirements are justified by the benefit which would accrue solely to the NEB project developers and not the non-NEB customers who would fund the necessary upgrades via their rates.

Thank you for your consideration, and we would be pleased to make experts in our billing department available for the work session to answer any technical questions that you may have.