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**TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE**

**An Act to Facilitate Net Energy Billing  
L.D. 417**

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**GOVERNOR'S ENERGY OFFICE  
March 2, 2023**

Senator Lawrence, Representative Zeigler, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Caroline Colan, and I am the Legislative Liaison for the Governor's Energy Office (GEO).

The GEO testifies neither for nor against L.D. 417.

It's our understanding that L.D. 417 will modify 35-A MRSA §3209-A, which contains the rules governing net energy billing, in several ways to address consumer protection, preserve consumer choice regarding energy, increase transparency, and establish a system for resolving complaints from both customers and project sponsors.


In 2019 Maine law changed to encourage the development of distributed generation (DG) resources, which are defined by statute as an electric generating facility with a nameplate capacity of less than 5 megawatts (MW) that uses a renewable fuel or technology and is located in the service territory of a transmission and distribution utility in the State (35-A M.R.S. §3481(5)). The primary mechanisms driving current distributed generation development are the two net energy billing (NEB) programs: kilowatt-hour credit and tariff rate. In 2021, the Legislature placed a limit on projects eligible to participate and included a goal of 750 MW of distributed generation developed under the net energy billing programs.

This program has resulted in significant growth of renewable energy resources in Maine and has robust consumer participation. As of November 30, 2022, a total of 335 megawatts of operational capacity was enrolled in net energy billing. Of these 335 megawatts, 295 are solar photovoltaic; 30 are hydroelectric; 5 are wind, and the remaining 5 are a variety of combined heat and power (CHP) and biofuel projects. Approximately 23,000 utility customer accounts are currently participating in an operational shared net energy billing arrangement. Not included in this figure are the number of customers who have enrolled with a net energy billing project that is not yet operational, as this data is not available.

The GEO is generally in support of measures that would ensure this program, as it currently exists, is workable and limits both educational and administrative burdens on customers, project sponsors, and utilities.

If the Committee is interested in pursuing this legislation, the GEO would like to be engaged alongside the Public Utilities Commission and the Office of the Public Advocate to ensure these programs work for customers, project sponsors, and utilities.

Thank you for your consideration.

  
Caroline Colan, Legislative Liaison  
Governor's Energy Office