



**CENTRAL MAINE
POWER**

Linda Ball – Vice President, Customer Service

LD 509 An Act to Amend the Net Energy Billing Laws to Require Net Energy Billing Credits to be Nonlapsing

March 2, 2023

Testifying: In opposition

Senator Lawrence and Members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Linda Ball, Vice President of Customer Service for Central Maine Power Company, submitting testimony in opposition to LD 509 – An Act To Amend the Net Energy Billing Laws to Require Net Energy Billing Credits to be Nonlapsing.

We appreciate the intent of this bill to protect the interests of consumers who participate in private or community net energy generation. However, as presented, the bill would mask the negative impacts of customers being allowed or encouraged to overbuild their private array or oversubscribe to a community renewable project.

As the rule currently reads, customers may bank private generation kWh produced but not consumed in the same billing period, or community generation kWh credits allocated but not consumed in the same billing period, for up to the next 12 months. This ability to bank credits recognizes and allows for seasonal fluctuations in generation and usage, while still holding customers responsible to make appropriate decisions regarding their subscription levels or the size of their private project to meet their household needs.

Though customers should be mindful of how much they are buying from a community project or generating from a rooftop solar array, they do have options if they are consistently underutilizing credits. For community solar participants, customers can review the details of their usage, allocation and banking and work with their project sponsor to modify their subscription levels if they are underutilizing their credits.

Similarly, private generation customers are provided with their net usage and generation and banking information on their monthly electricity bill and are allowed to add other accounts to their private generation by amending their Net Energy Billing Agreement if they are consistently generating more than they need.

Net energy billing has been a customer choice for many years. Only in the past few years has the issue of accumulation of banks of excess generation become an issue. While CMP shares the concern that customers be protected, the focus should be on avoiding the accumulation of excess generation credits, rather than simply determining that they should never expire.

Allowing banked credits to never expire unfairly allows customers to potentially over-produce or over-purchase generation, which is likely to result in greater stranded costs borne by customers who do not participate in net energy billing programs. Further, by removing negative signals associated with expiring credits, customers may be less motivated to responsibly manage their generation to their household needs. Any changes to the net energy billing program should be done in a way which does not disadvantage all customers to benefit the few net energy billing customers with expiring credits.

A final note, this proposed legislation represents yet another change to the net energy billing scheme. 2019 legislation required significant and expensive changes to our customer billing system which were only implemented last fall. We are currently working on additional billing system changes to implement the net energy billing amendments passed last session.

Nonlapsing net energy billing credits send the wrong policy signal to a relatively small number of customers which would be paid for by all others. Instead, customer education and clear messaging about proper generation size and allocation credits by project owners should be considered to reduce excess banked generation.

We urge an Ought Not to Pass report from the committee.

Thank you for your consideration.