



SOLAR ENERGY ASSOCIATION OF MAINE

Testimony in Support of LD 542, as amended

An Act to Comprehensively and Equitably Reform Electricity Rates

Steven Weems, Board Member, Solar Energy Association of Maine

President, Dirigo Community Solar Group

To the Joint Standing Committee on Energy, Utilities, and Technology

March 16, 2023

Senator Lawrence, Representative Zeigler, and other members of the Joint Standing Committee on Energy, Utilities, and Technology: my name is Steve Weems, a Board Member of the Solar Energy Association of Maine (SEAM); also President of Dirigo Community Solar Group (Dirigo CSG), a nonprofit association of small, member-owned community solar farms. We support the intent and specific provisions of the proposed Sponsor Amendment offered by Representative Runte, with one significant exception, with the understanding the bill may be modified by the Committee. We'll follow your work and provide additional commentary if we think it might be helpful.

We thank Representative Runte for distributing his proposed Sponsor Amendment early enough to allow for thoughtful consideration before the time of the public hearing. We especially like the provisions of Section 1 pertaining to performance-based ratemaking. Multi-year rate plans with positive and negative incentives could foster more creative thinking within larger transmission and distribution (T&D) utilities and provide greater accountability for their actual performance. The new standards enunciated in Section 301-A, subsection 1-B are excellent. These are a step in the right direction of requiring T&D utilities to plan for the dynamic grid of the future. We like subsection 1-C which encourages the Public Utilities Commission (PUC) to go further. These incremental, positive provisions are consistent with a vision of requiring the distribution system operator(s), whoever that may be, to evolve beyond demand response management systems (DRMS) toward distributed energy resource management systems (DERMS). Moving toward the type of dynamic two-way grid system of the future represented by DERMS is an important long-range goal.

Section 2 of the proposed Sponsor Amendment appears to be straightforward alignment language, which we support.

SEAM and Dirigo CSG also support the feasibility study requirements of Section 4. The language of subsection 3 of Section 4 of the proposed Sponsor Amendment appears to limit the feasibility analysis to investor-owned T&D utilities. We may not understand this fully but think this language should apply to all T&D utilities with over 50,000 customers, similar to Section 1, regardless of their ownership structure. We do think it is appropriate to analyze the feasibility of a time-of-use rate as part of the standard offer service, for reasons that the Public Utilities Commission (PUC) probably will bring out in its testimony. We understand this is complicated, requiring sufficient customer interest, among other considerations. Whatever the difficulties may be of implementing this concept, it is a good, simple goal and further study is warranted to find a way to implement it.

This leads us to Section 3, which appears to require all consumer-owned utilities (COUs), of any size, to offer an optional time-of-use rate while the feasibility of such a provision is being looked into for investor-owned utilities (IOUs). We do not think that requiring COUs to provide a time-of-use rate should be included in this bill. Instead, we suggest the feasibility study envisioned in Section 4 should be broadened to apply to all utility ownership models, perhaps including both larger utilities (50,000 customers or more) and small utilities (with less than 50,000 customers). Time-of-use rates may be more feasible for larger utilities, independent of their ownership.

Thank you for considering our perspective and to Representative Runte for bringing this bill forward. We think it is worthy of your continuing attention and hopefully, an Ought-to-Pass report after it is worked up.