April 13, 2023

Senator Mark Lawrence, Chair Representative S. Paige Zeigler, Chair Committee on Energy, Utilities, and Technology 100 State House Station Augusta, ME 04333

Re: Testimony in Opposition to LD 1347

To Senator Lawrence, Representative Zeigler, and Members of the Energy, Utilities and Technology Committee:

Please consider this testimony in opposition to LD 1347. The Coalition for Community Solar Access (CCSA) is a national Coalition of businesses and non-profits working to expand customer choice and access to solar for all American households and businesses through community solar. Our mission is to empower every American energy consumer with the option to choose local, clean, and affordable community solar. We work with customers, utilities, local stakeholders, and policymakers to develop and implement policies and best practices that ensure community solar programs provide a win, win, win for all, starting with the customer.

Net energy billing is an important policy tool to address the state's climate and energy goals and allow customers to directly participate in the clean energy economy. This legislature created the net energy billing program, and expanded the program in 2019 because it recognized the important role that distributed generation plays in addressing a changing climate, aging grid infrastructure, and investment in local economies. The program provides net benefits to all Maine ratepayers.

Let's be clear - the main culprit in rising electricity costs is our reliance on imported fossil fuels. We think it is critical to push back against the utilities' claims on the net energy billing program costs, which distract us from the real problems in our energy system that are driving up costs for ratepayers. We believe the projections of program costs include unrealistic assumptions that overstate the costs and do not account for system benefits from the program. We look forward to working with the Office of the Public Advocate, the Maine Public Utilities Commission, this committee, and others to scrutinize the utilities claims for cost recovery and ensure that they are not overcharging ratepayers.

The legislature has already made multiple reforms to the program in the past two years to reduce program costs. The reduced tariff rate enacted last session will apply to the majority of projects serving commercial customers. LD 936 has capped the program for projects over 2 MW, and set an end of 2024 deadline for projects to reach commercial operation. A large number of projects that are still awaiting cluster study interconnection results will not be able to meet that deadline. CCSA, its members and its partners are willing and eager to discuss a successor program that supports solar development in a cost effective manner, and that delivers meaningful benefits to Maine customers, particularly low to moderate income

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customers. Ending net energy billing suddenly would create a severe chilling effect on the renewable energy sector in Maine and would signal to all industries that the business climate in Maine is unstable and unfriendly. There are already thousands of customers enrolled in operational projects. Retroactive changes to already contracted projects will create stranded assets, angry customers, and could invite expensive litigation.

We urge the committee to vote ought not to pass.

Sincerely,

Kate Daniel Northeast Regional Director Coalition for Community Solar Access