

April 13, 2023 Senator Mark Lawrence, Chair Representative Stanley Paige Zeigler, Chair Committee on Energy, Utilities, and Technology 100 State House Station Augusta, Maine 04333

Re: Testimony on LD 1347, "An Act to Eliminate the Current Net Energy Billing Policy in Maine"

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

Founded right here in Maine twenty years ago, ReVision Energy is a local, employee owned, certified B Corporation with over 385 employees across our five branches in New England, with 220 staff in Maine at our Montville and South Portland locations. Our mission is to lead our community in solving the environmental problems caused by fossil fuels while alleviating social injustice to ensure New England is a thriving place where our children, grandchildren, and future generations can enjoy a clean environment and just society. In 2022 alone, we installed 10,000 kilowatts of residential solar and nearly 24 megawatts of commercial solar across the region.

We strongly believe that an effective net energy billing policy is critical in reaching our state's climate commitments and renewable portfolio standard law, and therefore we are here today in strong opposition of LD 1347.

As our society contends with rapid and drastic environmental change, governments around the globe are setting ambitious targets to reduce impacts of a warming climate. Regardless of political party, we all agree that we want to pass on a thriving planet to our children and our grandchildren. In the face of the challenge present today, to do this work, we must be both ambitious and innovative. We must pass entrepreneurial policy solutions to accelerate innovations to make our energy sector cleaner and more reliable. And because this is all so new, those policies must be iterative.

Our state has a long way to go on our renewable energy targets. Any suggestion that we're building clean energy too fast is wildly disconnected from the reality we live in. To jump start the development we needed, Net Energy Billing (NEB) 1.0 was implemented. We're the first to say it wasn't perfect, especially in how it addressed larger offsite projects. Fortunately, you stepped in as leaders, and together, we have improved the process. ReVision has been supportive of these changes. However, the flow of new large projects has come to a standstill. When it became time to iterate holistically, you stepped in again and passed LD 936, bringing together leaders from across the clean energy sector to provide thoughtful and strategic stakeholder input to create a policy for the future—NEB 2.0.

We believe the focus now should be on making NEB 2.0 for large projects both smart and effective. This policy, as you know, will be critical in getting us on a path to meet our climate goals. To get a bit more granular, to meet our state's renewable portfolio standard law and achieve 100% renewable electricity by 2050, we would need to build approximately 7500 MW of solar in state, or at least 275 MW per year.¹ While we don't have exact numbers, we think it's fair to say we're not building anywhere near that pace today, especially if you exclude construction of projects that are ultimately serving the load for other states.



As you know, we've only had a few utility scale projects come online here in Maine. Therefore, distributed generation (below 5 MW) will need to make up a significant portion of that total 7500 MW target. So, using back of the envelope calculations, and assuming at least a quarter to a half of that capacity won't come from utility scale solar, we need to be building 75-150 MW of DG annually. We clearly have a long way to go.

Net energy billing is currently the most foundational policy for supporting distributed generation—and ultimately supplies Maine homes and businesses with the myriad benefits, including the reduction of energy costs, offered through investment in renewable energy. We recognize this policy must be a sophisticated regime that has customized applications for different market segments. We have been involved in those discussions and have helped developed these mechanisms, for example, for commercial and institutional customers and large-scale facilities.

Previous efforts to replace net energy billing for the state's residential and small commercial ratepayers have failed—and net metering remains the most effective tool in advancing the state's codified clean energy goals. Even more, this committee sits on thoughtful recommendations within the DG 2.0 report from all parties as to how to better this process.

Let's not throw out a critical policy tool that would retroactively pull the rug out from under thousands of Mainers without any real proposal for how to make clean energy affordable and accessible moving forward. Let's implement the collaborative efforts within the DG 2.0 report. Let's strive to meet our goals for the future of all Mainers—and their children and grandchildren, too. We ask you to oppose LD 1347.

Sincerely,

Lindsay Bourgoine Director, Policy & Government Affairs <u>ReVision Energy</u> 207.819.5663

¹ Competitive Energy Services "A New Energy Policy Direction for Maine: A Pathway to a Zero Carbon Economy by 2050" 2019. <u>https://www.competitive-energy.com/zero-carbon-maine</u>