

53 Baxter Boulevard, Suite 202 | Portland, ME 04101 Phone: 866-554-5380 | Fax: 207-775-5727 | TTY: 877-434-7598 aarp.org/me | me@aarp.org | twitter: @aarpmaine facebook.com/aarpmaine | instagram.com/aarpme

May 9, 2023

## Testimony in Opposition: LD 327, An Act to Provide Maine Ratepayers with Equitable Access to Interconnection of Distributed Energy Resources

Chairs Lawrence and Zeigler and honorable members of the Joint Standing Committee on Energy, Utilities and Technology. I am Alf Anderson, Associate Director for Advocacy and Outreach for AARP Maine. AARP is a non-profit, non-partisan social mission organization with more than 200,000 members across the state. We work on a range of energy issues at the state level. The core principles we approach this work with include affordability, reliability, sustainability, and accountability. We support low-income energy assistance programs. We also support coordination of outreach and enrollment in such programs.

AARP Maine urges the Committee to oppose this bill. While the title suggests some benefit to ratepayers, the plain fact is that the purpose of this bill is to raise rates for ratepayers to support the profit-making businesses that seek to interconnect to the distribution grid. This bill will require the Commission to revise its current interconnection rules to shift costs to ratepayers from those who seek to connect and who are making profits that are exacerbated by the Net Energy Billing mandates in law. The current rules and interconnect policies correctly require those who will require investments in the distribution system to safely and reliably connect to this system must pay the incremental costs to do so. This policy should not be amended as proposed in this bill. Furthermore, there is no credible evidence that either CMP or Versant have improperly calculated or imposed unnecessary interconnection costs, particularly since the developer can appeal such a decision to the PUC for an impartial review.

As this Committee is fully aware, the Office of Public Advocate estimates that the current Net Energy Billing mandates are going to cost Maine's most vulnerable electric customers hundreds of millions in additional rate increases if there is not a dramatic and prompt reform of this policy. We will see significant increases in residential and commercial customer bills this summer that will be the equivalent of a year's worth of reliability and customer service investments for CMP and Versant Power under their pending base rate cases. This bill would add even more costs onto these customers by allowing developers to claim their project would be "uneconomic" and shift interconnection costs to ratepayers. AARP Maine opposes this policy change.

Electricity rates are regressive in nature because lower income and fixed income households must pay a higher percentage of their household income for essential energy and electricity service compared to higher income households. Unlike more progressive income tax policy, funding our renewable energy goals and investments through electricity rates raises serious concerns regarding affordability for a

service that is needed to protect the health and safety of older Mainers and other vulnerable residential customers.

I urge you to consider the already over-burdened electricity ratepayers in Maine and vote this bill Ought Not To Pass. Thank you for the opportunity to provide our views on this important bill. If you have questions for me, I can be reached at <a href="mailto:aanderson@aarp.org">aanderson@aarp.org</a> or at 207-330-1147.

Alf Anderson
Associate State Director, Advocacy and Outreach
AARP Maine