

Committee on Energy, Utilities and Technology % Legislative Information Office 100 State House Station Augusta, ME 04333

January 9, 2024

Re: LD 1465, An Act to Amend the Calculation of Tariff Rates and Billing Credits Under Net Energy Billing

Dear Senator Lawrence, Representative Zeigler, and Members of the Committee:

On behalf of the Maine Renewable Energy Association (MREA), thank you for the opportunity to present testimony in opposition to LD 1465, *An Act to Amend the Calculation of Tariff and Billing Credits Under Net Energy Billing.*

MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our opposition to this legislation is broad and varied, but is grounded in the fact that the net energy billing program (NEB, Program) was thoroughly worked by this Committee and the 131st Legislature during its first session. The ink has barely dried on LD 1986, *An Act Relating to Net Energy Billing and Distributed Solar and Energy Storage Systems*, which made changes to the Program sought to be modified by the bill considered today. In fact, 1986 is in the midst of implementation. For example, on December 29, 2023 the Maine Public Utilities Commission issued a Request for Proposals (RFP) for energy or renewable energy credits (RECs) from distributed generation resources pursuant to last session's LD 1986. MREA believes that contemplation of changes to the Program prior to full implementation of LD 1986 is hasty, at best.

Furthermore, MREA believes that this legislation would significantly interfere with the breadth of benefits Maine's ratepayers, grid, and environment enjoy from NEB, including:

- **Electric system benefits.** Electric system benefits include avoided energy, capacity, and line losses, price suppression, avoided transmission charges, reduced distribution delivery costs, and deferred or avoided transmission and delivery plant upgrades.
- Environmental benefits. Environmental benefits include avoided greenhouse gas emissions, as well as avoided NOx and SOx emissions.

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• **Social and economic benefits.** These benefits include positive economic impacts (i.e., job creation, multipliers from local spending where projects are built), increased consumer choice, and energy independence.

LD 1465 would interfere with the ability to reap those benefits by modifying incentives for commercial and institutional customers to take part in the Program and, by extension, pursue renewable energy.

MREA strongly encourages the Committee to vote Ought Not to Pass on LD 1465.

Thank you,

Elija Drugnue

Eliza Donoghue, Esq. Executive Director