

**Testimony of the Industrial Energy Consumer Group  
In Opposition to  
L.D. 2099, Act to Make Changes to Certain Laws Governing Renewable Energy Projects  
Before the Joint Standing Committee on Energy, Utilities and Technology  
January 23, 2024**

Good afternoon, Senator Lawrence, Representative Zeigler and Members of the Joint Standing Committee on Energy, Utilities and Technology. I am Steven Hudson, an attorney with the firm of Preti Flaherty, here today on behalf of Industrial Energy Consumer Group. IECG has been representing medium and large sized consumers of energy in Maine at the state, regional and federal level for more than thirty-five years. We advocate for policies that reduce the cost of energy and promote cost-effective means for achieving Maine’s energy and climate goals. IECG testifies today in opposition to L.D. 2099, *An Act to Make Changes to Certain Laws Governing Renewable Energy Projects*. Our opposition is solely due to the current language of Section 1 of the bill. IECG has no position on Section 2 of the bill.

During several hearings, this session on distributed generation programs, one of the constant refrains from solar developers and some committee members was that LD 1986 from last session had only been enacted less than a year ago and “we should all give it a little time before making any changes.” While IECG appreciates this sentiment, we would note that it should definitely NOT apply to topics that were not covered by that bill. However, IECG believes that it should definitely apply to specific topics contained in that bill – specifically the legislative promise in 2 MRSA §9, sub-§6-A, ¶E which currently states that NO ratepayer funds may used:

to implement the program or to provide funding under the program to distributed solar facilities or energy storage systems.

The proposed language in LD 2077 seeks to change this clear commitment to a “net benefits” test involving yet another proceeding before the PUC. This language breaks the promise of LD 1986 in less than seven months from its enactment. Even if members of this committee are comfortable with the reasons put forward for breaking such a promise; what this means is that once again, Maine is pursuing societal goals on the back of the Maine ratepayers who will bear ALL of the costs – but at best will only reap some part of the “net benefits.” It is

far past time for this committee to defend Maine ratepayers by putting the burden for achieving such statewide goals on the entire state. This is especially true when the program in question is not adequate to the problems of climate change but was proposed because the federal government was claimed to provide all of the necessary money. Now we find that is not the case. We look forward to the explanation.

We also note that without any state subsidies, Maine now has at least 75% of its 2025 energy storage goal either operating or under construction – that’s great news, but it should also cause to pause before using ratepayer funds to subsidize storage until the unit cost drops further and the need is greater.

We are still well aware of the political dynamic in the statehouse this session. And so have few doubts about the likely passage of this bill. We request that if the committee proceeds with amending the existing law it consider using the following in Section 1 instead:

E. Except as provided in paragraph C, ratepayer funds may not be used to implement the program or to provide funding under the program to distributed solar facilities or energy storage systems without approval by the Public Utilities Commission. The commission shall approve the use of ratepayer funds for those purposes if the commission finds that ~~the~~ such use of ratepayer funds **will not increase the rates of any class of customers** ~~is reasonably likely to achieve net benefits to electric ratepayers.~~

IECG thanks the committee for the opportunity to provide these comments. We are happy to answer questions now or at the work session.