



PISCATAQUIS COUNTY COMMISSIONERS

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Senator Lawrence, Representative Sachs, and esteemed members of the Committee on Energy, Utilities, and Technology,

This testimony in support of LD 32 is provided on behalf of the Piscataquis County Commissioners.

I am writing to offer my strong support for the repeal of the current laws regarding net energy billing in Maine. While the concept of net energy billing was designed with the intention of promoting renewable energy and benefiting solar energy producers, it has led to several unintended consequences that harm ratepayers, distort the energy market, and undermine the overall goals of creating a sustainable and affordable energy future for all Mainers.

The following points outline why the repeal of these laws is necessary:

1. Inequitable Cost Shifting

Net energy billing has resulted in significant cross-subsidization, where non-solar customers—particularly renters, low-income households, and small businesses—are unfairly shouldering the costs associated with solar power credits. Those who install solar systems can benefit from credits on their energy bills for surplus electricity generated, but this often occurs at the expense of those who do not have the financial means to install such systems. As a result, the financial burden falls disproportionately on ratepayers who cannot take advantage of these credits, further exacerbating income inequality. In Piscataquis County this has led to several businesses being adversely affected and the loss of several jobs in Milo.

2. Rising Energy Costs for Non-Solar Consumers

The financial model under net energy billing requires utilities to recover lost revenue from customers who do not benefit from the program. As a result, utilities are forced to raise rates for non-solar customers to cover the costs of maintaining the grid and providing energy services. This means that low-income households, seniors, and small businesses that do not have the resources to install solar systems are paying higher rates to subsidize those who do. This imbalance is unfair and unsustainable in the long term.

3. Impact on Grid Stability and Efficiency

Net energy billing leads to inefficient energy distribution, especially during peak solar production times, when a large amount of solar energy is pushed back into the grid. While solar energy is an important renewable resource, the intermittent nature of solar power can create challenges for grid operators, especially in regions where solar energy production

outstrips local demand. This can cause over-generation, grid instability, and unnecessary costs to manage the system, all of which are ultimately passed on to ratepayers. The current system, with its focus on individual solar generation, is less efficient than alternative solutions that focus on centralized, utility-scale renewable energy projects that benefit all residents.

4. Encouraging More Equitable and Effective Renewable Energy Policies

The repeal of net energy billing laws would allow Maine to develop and implement more effective and equitable renewable energy policies that ensure all ratepayers benefit from the transition to clean energy. This could include expanded investment in large-scale renewable energy projects, direct incentives for solar installations, and initiatives that provide financial support to low-income households and communities that have historically been left behind in the clean energy transition. Policies such as these would encourage broader participation in Maine's renewable energy goals, without creating disparities between solar and non-solar customers.

5. Reevaluation of Solar Energy Incentives

While I fully support the transition to renewable energy, it is important that incentives for solar energy do not come at the cost of fairness or equity. By repealing the current net energy billing laws, we can redirect incentives toward programs that better reflect the collective needs of the entire state, ensuring that the benefits of clean energy are widely distributed and available to all Maine residents. Programs like community solar, tax credits, and rebates for solar installations provide more equitable means of encouraging renewable energy adoption.

In conclusion the repeal of net energy billing laws in Maine represents a necessary step to ensure a more equitable, fair, and sustainable energy future. It will reduce the financial strain on non-solar customers both residential and commercial, enhance grid efficiency, and allow the state to focus on renewable energy policies that benefit all ratepayers, regardless of their ability to install solar systems. I urge you to consider the long-term benefits of repealing these laws and supporting policies that create a more balanced and inclusive energy system.

Thank you for your time and consideration. I strongly encourage the committee to support the repeal of net energy billing laws in Maine.

Sincerely,



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