

Maine Conservation Voters

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Testimony in Opposition to LD 32 An Act to Repeal the Laws Regarding Net Energy Billing, LD 257 An Act to Eliminate the Practice of Net Energy Billing, LD 450 An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy Billing, and LD 515 An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Lucy Hochschartner, and I am the Climate and Clean Energy Director with Maine Conservation Voters (MCV). MCV represents over 14,000 members and supporters who are building a just, thriving future for all by acting on the climate crisis, protecting the environment, and safeguarding our democracy. I am here today to testify in opposition to LD 32 An Act to Repeal the Laws Regarding Net Energy Billing, LD 257 An Act to Eliminate the Practice of Net Energy Billing, LD 450 An Act to Lower Electricity Costs by Repealing the Laws Governing Net Energy Billing, and LD 515 An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation.

Per S&P Global Commodity Insights data, household electricity prices in Maine rose 65.5% between 2018 and 2023. That was almost three times the rate of inflation and more than any other state in the country. The recent ERAC report on energy burden estimates that low-income households in Maine have an average electricity burden of 8% — more than twice what is considered affordable, though that may not fully capture assistance that these households are receiving. Electricity is a basic need, and MCV is working diligently on both near-term and long-term solutions to move toward universal access.

While it is not the entire solution, clean electricity is a critical part of *any* viable affordability solution. Fossil fuels are costing us. In 2021, Maine spent more than \$4.7 billion on imported fossil fuels. To keep that money in customers' pockets and in our own local economies, we need to electrify and transition to clean forms of electricity generation. Furthermore, these fossil fuels are also worsening storms that are having an increasingly large effect on our electricity costs. Net

https://www.spglobal.com/market-intelligence/en/news-insights/articles/2024/8/rising-us-power-prices-reflect-new-reality-for-utilities-in-warming-world-82591284

 $https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/VEIC_Maine\%20Energy\%20Burden\%20and\%20Affordability\%202024_2.pdf$

energy billing has been a critical policy tool to help us bring clean, Maine-made solar resources into the grid.

Like any resource, that has cost money. However, it has also brought incredible benefits to ratepayers and our grid. In 2023, for every dollar invested in the grid through the net energy billing program, there were \$1.29 in benefits.³ These benefits ranged from reducing transmission and distribution needs to suppressing prices by shaving peak demand. We need to ensure that moving forward, the state continues to invest in these kinds of benefits.

Unfortunately, these bills function to erase entire sections of statute with no program to replace them or plan for the thousands of people who rely on net energy billing programs, including both rooftop and community scale projects — either as customers, owners, workers, or businesses. There are more than 113,000 participants in this program.⁴ That is more than 10% of electricity customers in Maine whose careful financial planning will be upended! Beyond being irresponsible policy-making, it will not be the magic bullet for affordability.

I believe we all share the goal of ensuring that all customers have the electricity they need to thrive, and if that is the case, there are many other avenues we can take to address the problem. We could take the lead of utilities like LA Water and Power, which ended disconnections, France's utility EDF, which provides a lifeline amount of electricity to all customers, expand our efficiency and weatherization programming, continue to build out clean, Maine-made electricity generation that will get us off fossil fuels, lean into beneficial electrification, or address the \$210 million in profit CMP and Versat brought in last year.

I wholeheartedly agree that we need to make electricity more affordable, but this is not the way. I urge you to vote no on these bills.

Sincerely, Lucy Hochschartner

https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/Solar%20-Y2023%20-CBA%20-%20LD%20327.pdf

⁴ https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/NEB-SEA%20Report%20-Final.pdf