

**TESTIMONY OF PATRICK WOODCOCK  
BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE  
FEBRUARY 27, 2025**

**NET ENERGY BILLING: LD 32, LD 257, LD 359, LD 450**

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology. Thank you for the opportunity to provide testimony on the following legislation that seeks to repeal the Net Energy Billing program: LD 32, LD 257, LD 359, LD 450. My name is Patrick Woodcock, and I am the President and CEO of the Maine State Chamber of Commerce, which is Maine's largest community of businesses in the state and collectively represents a network of over 5,000 businesses in the state.

Electricity prices in Maine have risen substantially, rising 55 percent over the last ten years while nationally prices have risen 24 percent. As a result, electricity prices have increasingly become a concern of Maine State Chamber of Commerce members. In particular, we have heard from small businesses confused about the rising electric rates and also larger businesses who in making investment decisions have cited the electricity pricing and associated costs as barrier for further investment in the state.

Maine should have a stable solar policy that attempts to use competitive markets and price signals to maximize the benefits for Maine ratepayers and contribute to meeting our climate laws. However, the net-energy billing model, especially for standalone projects is simplistic, costly, and can increase the costs of managing our distribution system rather than reducing the costs. Quite simply, the compensation for large scale projects in Maine is a national outlier and we should work together to reduce these costs.

As for suggested changes to improve this policy, the Chamber would ask you to consider the following.

**Credit Ceiling.** Establish a ceiling on the credit values aligned with retail pricing when projects come into service. If credit values are based on the retail rates at the time a project comes online, it will help avoid situations where participants receive excessive compensation due to future rate increases. It will keep compensation closer to the actual cost while providing predictability for utilities and participants when market changes occur.

**Minimum Reliability Charge.** Have the PUC establish a minimum non-by-passable charge on NEB customers. This idea supports grid reliability and maintenance, which we know is

important to this committee and all Mainers. Currently, utilities are recovering less from NEB participants as they offset their consumption and further reduce what they must pay in distribution charges. By requiring all customers to pay a minimum fee for distribution services, the cost-shift to non-participating consumers would be mitigated, making for a more equitable policy.

**Storage.** Integrate storage into projects to align solar production with current and future peak periods. In Massachusetts, where I previously served as Commission of Energy Resources, anything over X kw requires a storage system to be eligible for the program. This provides greater balance when the reality is that in Maine generation peaks occur on warm summer days, but the greatest demand is in the evenings and cooler months. Taking this approach would help avoid drawing power from the grid during peak periods and use stored energy instead.

**Bonding.** While you seek phased-in predictable reforms, the Legislature may also want to consider bonding to offset the costs of NEB for low-income and commercial accounts. Ultimately, the Maine State Chamber of Commerce believes the opportunity is ripe to re-shape Maine's energy future in a way that is business-friendly and predictable for all. As you consider changes to Maine's Net Energy Billing policy, we ask you to keep Maine's economy in mind.

The Maine State Chamber of Commerce would be willing to work with a bipartisan group to ultimately deliver savings for ratepayers while working on continuing to develop a more sophisticated solar policy that draws investment in the state, maximizes value for ratepayers, and helps Maine meet our greenhouse gas mitigation laws.