



Natural Resources Council of Maine

3 Wade Street • Augusta, Maine 04330 • (207) 622-3101 • Fax: (207) 622-4343 • www.nrcm.org

**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, &
LD 515 An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and
Distributed Generation**

By Rebecca Schultz,
Senior Advocate for Climate and Clean Energy
February 27, 2025

Senator Lawrence, Representative Sachs, and members of the Joint Committee on Energy, Utilities and Technology, my name is Rebecca Schultz. I am a Senior Advocate for Climate and Clean Energy at the Natural Resources Council of Maine (NRCM). NRCM is Maine's leading nonpartisan environmental advocacy organization with nearly 24,000 members and supporters statewide, on whose behalf I am testifying today in opposition to these four bills.

The biggest culprits behind rising electricity bills are fossil fuels and the climate change impacts they are causing—not solar energy.

A key part of achieving our climate and clean energy goals and reducing energy costs in Maine is reducing our dependence on out-of-state fossil fuels. In this context, that includes electricity from the regional New England grid, which is 60% powered by natural gas. Because of the way the New England market is structured, natural gas has an even more outsized effect on price, such that the price we pay for New England electricity is set by the price of natural gas 80% of the time.¹

Natural gas prices are primarily driven by global markets over which Maine has no influence. That's an enormous price risk exposure for an essential service, and Maine households and businesses have been feeling that exposure acutely through their electricity bills over the past few years.

Building energy sources here in Maine reduces the amount of electricity we need to buy from the regional market. That's integral to both meeting our climate requirements, on the one hand, and reducing and stabilizing energy costs on the other—to say nothing of buffering Maine families from turmoil created by politicians in Washington, D.C., who may not have ordinary Mainers' best interests in mind.

The Net Energy Billing (NEB) program, which includes solar on people's roofs as well as community-scale projects, empowers people and businesses to invest in affordable clean energy technology. It is part of the portfolio of programs we need to support the development of Maine-based renewable energy. Some 41 states and the District of Columbia have a version of net energy billing or metering.²

¹ <https://www.iso-ne.com/static-assets/documents/100011/2023-annual-markets-report.pdf>

² <https://programs.dsireusa.org/system/program>

The four bills before you today would have major negative ramifications if they were enacted. They would eliminate Maine’s rooftop and community programs wholesale, without putting anything in their place for the millions of dollars in generation assets that have been invested through the program or the 860 people working in the solar industry.³ By denying Maine citizens any regulatory mechanisms for connecting to the grid, these bills would effectively bar Maine homes and businesses from putting solar on their roofs.

There are now more than 113,000 participants across the state benefiting from affordable renewable energy through rooftop and community solar programs.⁴ These are Maine businesses, municipalities, school districts, nonprofits, as well as individual households all over the state (see Appendix A for a list of participants).

The program does have costs, but the NEB program is not the culprit driving up electricity bills. Its costs are dwarfed by other recent drivers of electricity price hikes, namely natural gas and climate impacts.

The fact is that the largest rate increases Maine families and businesses have experienced since 2021 have been due to volatile natural gas prices. Natural gas increased average residential bills by \$60 a month between 2021 and 2023.⁵

Responding to increasingly severe weather events is the second largest factor driving up electricity bills. Storm recovery cost Central Maine Power (CMP) customers \$220 million in 2024, adding \$10 a month to household bills—and that was to cover just three storms. And these costs are on the rise due to increasingly damaging and extreme weather fueled by climate change.⁶

By contrast, NEB comprises 4% of bills, or \$7. And these program costs don’t convey the full picture—because they fail to account for the benefits that these projects bring. These benefits include reduced demand for fossil fuel supply, avoided strain on our transmission and distribution system, and reduced pollution, among other benefits. An independent analysis done for the Public Utilities Commission (PUC) in 2024 found that prior year program costs of \$130 million were outweighed by \$160 million in program benefits (a benefit-cost ratio of 1.23).⁷

Since expanding the NEB program in 2019, the Legislature, mindful of balancing costs, benefits, and the multiple goals we have around climate, clean energy, and economic development, has acted three times in targeted ways to address compensation, eligibility, and other factors to wind down the tariff program, improving the overall ratio of costs to benefits. The remaining kilowatt-hour program has an even more favorable profile—every dollar invested generates \$1.92 in benefits.⁸

³ <https://www.maine.gov/energy/sites/maine.gov.energy/files/2024-05/2023%20MECEIR%20Report%20Final.pdf>

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

⁵ Standard offer 2021-2022 saw a \$30 per month increase for the average CMP customer and 2022-2023 saw an additional \$32 per month increase owing to natural gas prices on the regional market.

<https://www.maine.gov/tools/whatsnew/index.php?topic=puc-pressreleases&id=6040934&v=article088>;

<https://www.maine.gov/tools/whatsnew/index.php?topic=puc-pressreleases&id=9617342&v=article088>

⁶ <https://www.pressherald.com/2024/06/12/cmp-bills-to-go-up-this-summer-after-regulators-approve-rate-hikes-tied-to-storm-costs/>

⁷ https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/NEB-Y2023_CBA-LD%201986.pdf

⁸ Ibid.

We all share the goal of reducing energy bills and protecting low-income ratepayers, and there are solutions we can work toward:

- Reforming the Low-Income Assistance Program (LIAP) and putting sufficient revenue into the program to meet the energy burden needs of Maine families.
- Making sure Maine launches its Solar for All program to bring the benefits of clean energy to low-income households with or without precarious federal funding.⁹
- Investing more in beneficial electrification through the Efficiency Maine Trust, whose programs over the coming three years will have direct rate-suppressive effects of \$492 million.¹⁰
- Working to protect federal clean energy programs that have brought \$2.2 billion in direct and induced investments to Maine for cost-saving clean energy technologies.¹¹
- Continuing to invest in Maine-based renewable energy for stable, affordable energy over the long term.

NRCM opposes these bills, and we urge you to vote **Ought Not to Pass**.

Thank you for this opportunity.

⁹ <https://www.eenews.net/articles/epa-cuts-off-ira-solar-money-already-under-contract/>

¹⁰ <https://www.efficiencymaine.com/primary-benefits-of-triennial-plan-vi/>

¹¹ <https://www.nrcm.org/news/report-federal-climate-programs-invest-maine/>

Appendix A: The following is a non-exclusive list of Maine towns, schools, nonprofits, and businesses that participate in the Net Energy Billing program and that would be negatively impacted by LDs 32, 257, 450, and 515, compiled with the Maine Renewable Energy Association as of February 2025.

Municipal:
○ City of Auburn
○ City of Belfast
○ City of Lewiston
○ City of Portland
○ City of Presque Isle
○ City of Rockland
○ City of South Portland
○ County of York
○ Town of Blue Hill
○ Town of Bowdoinham
○ Town of Camden
○ Town of Casco
○ Town of Cumberland
○ Town of Freeport
○ Town of Fryeburg
○ Town of Hope
○ Town of Kennebunkport
○ Town of Kittery
○ Town of Liberty
○ Town of Limestone
○ Town of Lincolnville
○ Town of Millinocket
○ Town of Mount Desert
○ Town of Norway
○ Town of Ogunquit
○ Town of Old Orchard Beach
○ Town of Poland
○ Town of Rumford
○ Town of Sanford
○ Town of Shapleigh
○ Town of Tremont
○ Town of Trenton
○ Town of Windham
○ Bangor Water District
○ Brunswick Sewer District
○ Brunswick/Topsham Water District
○ Bucksport Wastewater Treatment Facility
○ Farmington Water District
○ Kennebec Sanitary District
○ Limestone Water and Sewer District
○ Portland Water District

Higher Education:
○ Bates College
○ Bowdoin College
○ Colby College
○ College of the Atlantic
○ Maine Community College System
○ Maine Maritime Academy
○ University of Maine
○ Thomas College

Schools:
○ Acton School Department
○ Auburn School Department
○ Dayton School District
○ Deer Isle/Stonington School District
○ Falmouth Public Schools
○ Five Town CSD - Camden Hills Regional High School
○ Foxcroft Academy
○ Madawaska School Department
○ Millinocket School Department
○ Mount Desert Island High School
○ Mt. Ararat High School
○ MSAD 11 – Gardiner/Pittston/Randolph
○ MSAD 15 – Gray/New Gloucester
○ MSAD 28 - Camden Rockport School District
○ RSU 9 – Farmington Area
○ RSU 10 – Rumford Area
○ RSU 14 – Windham/Raymond
○ RSU 24 – Sullivan Area
○ RSU 52 – Turner Area
○ RSU 55 – Hiram Area
○ RSU 73 – Jay Area
○ Union 69 - Hope Elementary School
○ Scarborough School Department
○ St. Dominic Academy
○ Veazie Community School
○ Waterville Public Schools
○ Windham Public Schools

Nonprofit:

- Auburn Housing Authority
- Augusta Housing Authority
- Bath Housing Authority
- Brunswick Housing Authority
- Caribou Assisted Living
- Chewonki Foundation
- Coastal Rivers Conservation Trust
- Cumberland Animal Clinic
- The Ecology School
- Fort Fairfield Housing Authority
- Good Shepherd Food Bank
- Hurricane Valley Farm
- Kieve/Wavus
- MaineHealth
- MaineGeneral Medical Center
- MDI Hospital
- Northern Light Healthcare System
- Old Town Housing Authority
- Portland Housing Authority
- Preble Street
- Saco Food Pantry
- South Portland Housing Authority
- Waterfall Arts
- Westbrook Housing Authority
- Wolfe's Neck Center
- York County Shelter
- 317 Maine Community Music Center

Commercial:

- Allagash Brewing
- AVX Tantalum Corporation
- Bangor Beer Company
- Bangor Savings Bank
- Bath Iron Works
- Bissell Brothers Brewing
- East Brown Cow
- Eastern Tire
- FedCo Seeds
- Grandyoats
- Gorham Savings Bank
- Hannaford
- L.L. Bean
- Luke's Lobster
- Machias Savings Bank
- Maine Beer Company
- Nestle Waters North America
- Oakhurst Dairy
- Pleasant Mountain Ski Area
- Pleasant River Lumber Co.
- Pratt & Whitney
- Pride Manufacturing Co LLC
- Shaw Brothers
- Shepard's Storage & Shepard's Toyota
- Split Rock Distilling
- Thompson's Point
- Thurston's Lobster Pound
- Walmart, Inc.
- Wyman's of Maine