Testimony of Chris Kallaher, Senior Vice President and General Counsel, Ampion, Inc., in Opposition to LD 359: An Act to Prohibit Net Energy Billing by Certain Customers

February 27, 2025

Senator Lawrence, Representative Sachs, and honorable members of the Energy, Utilities, and Technology Committee. My name is Chris Kallaher and I am Senior Vice President and General Counsel of Ampion, Inc., a distributed renewables subscription and revenue management company with a deep commitment to Maine and the customers and clients we serve in Maine. I am writing to express Ampion's strong opposition to the bill before you this morning, LD 359: An Act to Prohibit Net Energy Billing by Certain Customers. I also submitted testimony in opposition to four other bills before you today, 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, and incorporate that testimony by reference here to avoid repetition.

Nearly all of the arguments against LD 32, LD 257, LD 450, and LD 515 apply to LD 359 with equal force. The material difference between LD 359 and those other bills is that LD 359 gives the impression that it merely modifies the NEB program while allowing currently operating sites to continue to operate. While this appears to be an improvement, the reality is that LD 359 would be nearly as destructive in practice as the bills that would end the NEB program outright. This is because LD 359 would radically reduce the value of the bill credits that the NEB projects depend on for revenue. In the case of sites participating in the tariff program, the bill credits they receive would be reduced by an amount equal to the 75 percent of transmission and distribution charges in the customer's rate class, leaving only the standard offer rate as the value of the bill credits to be shared with subscribers. It appears that some sites participating in the tariff program would see an even sharper reduction, as the value of the bill credits they receive would be set by the Commission at a rate "comparable to the cost of electricity in the wholesale market." The impact on sites participating in the kilowatt-hour program is less clear, though it appears that the bill credits would no longer be set equal to the full retail rate for a subscriber's allocation of kilowatt-hours from a site, as is currently the case.

Because LD 359, as amended, would profoundly reduce the value of the bill credits currently available to those sites, which would likely have many of the same effects on the program as the bills that would repeal NEB outright, we urge a "no" vote on LD 359. Thank you for the opportunity to comment on this important matter.