

Testimony of Industrial Energy Consumer Group
In Support of
LD 839, *An Act To Lower Consumer Energy Costs by Prohibiting the Recovery Through Rates of Costs Attributable to Net Energy Billing*
Before the Joint Standing Committee on Energy, Utilities and Technology
March 27, 2025

Senator Lawrence, Representative Sachs, members of the Joint Standing Committee on Energy, Utilities and Technology; I am Anthony Buxton, an attorney with the law firm of Preti Flaherty, here today to provide testimony on behalf of Industrial Energy Consumer Group (IECG) in support of LD 839, "*An Act To Lower Consumer Energy Costs by Prohibiting the Recovery Through Rates of Costs Attributable to Net Energy Billing*" As members of this committee know, IECG is an association of large energy consumers in Maine that advocates at the state, regional and federal level for rapid and efficient climate mitigation while assuring reliability and low costs for all consumers.

IECG strongly supports your consideration of Senator Stewart's bill, for four reasons.

First, the proposed sharing among electric ratepayers of Net Energy Billing stranded costs is an ongoing disaster for ratepayers and for Maine's business economy.

Second, these costs are different from utility costs and should not be recovered in electric rates. The costs are not incurred or driven by ratepayers and currently force them to subsidize others. This is unfair and harmful.

Third, this Legislature pays for all other public benefit programs through the general fund. You both know and can change how that works to fix unfairness

Fourth, Northern Maine and Aroostook in particular are where this ratemaking disaster is the most extreme and a good place to start to move these costs from ratepayers who don't cause them to taxpayers who all benefit from them.

IECG suggests the committee wait until the Commission acts on the broadly based rate design stipulation offered by the Public Advocate, commercial advisors, generators and manufacturers before acting on this bill. The Stipulation fixes much of the injustice in Aroostook.

But at a minimum, IECG asks that you create a study in order to figure out how and when Maine should move the costs of climate mitigation to the General Fund. This step is being considered elsewhere, and it is the only way the cost of the path to zero carbon can and should be fully funded. This is a small expense compared to the \$220 mm being imposed on ratepayers this year.

Excerpted From the Exceptions to the Examiner's Report filed by Competitive Energy Services in Docket No. 2024-00137 on March 17, 2025:

- Versant's largest HT customer in MPD, which consumes 65,000 MWh per year, would see its annual stranded cost charges initially increase by 129%, **+\$890,000 per year**, from \$690,199 today to \$1.58 million.
 - Versant's largest ST customer in MPD, which consumes 14,000 MWh per year, would see its annual stranded cost charges initially increase by 124%, **+\$187,000 per year**, from \$150,750 today to \$337,947.
 - Versant's largest EPT customer in MPD, which consumes 11,000 MWh per year, would see its annual stranded cost charges initially increase by 181%, **+\$167,000 per year**, from \$92,343 today to \$259,457.
 - Versant's largest EST customer in the MPD, which consumes 5,000 MWh per year, would see its annual stranded cost charges initially increase by 91%, **+\$62,000 per year**, from \$68,152 today to \$130,472.
 - Versant's largest ST customer in the BHD, which consumes nearly 27,000 MWh per year, would see its annual stranded cost charges initially increase by 733%, **+\$528,000 per year**, from \$72,027 to \$600,216.
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- Versant's largest D4 customer in BHD, which consumes nearly 26,500 MWh per year, would see its annual stranded cost charges initially increase by 413%, **+\$480,000 per year**, from \$116,327 to \$596,260.