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PUBLIC ADVOCATE

**Testimony In Opposition to
LD 839, An Act to Lower Consumer Electricity Costs by Prohibiting the Recovery of
Costs Attributable to Net Energy Billing”**

Senator Lawrence, Representative Sachs, and distinguished members of the Joint
Standing Committee on Energy, Utilities and Technology,

My name is Heather Sanborn, here today as Public Advocate, to testify in opposition
to LD 839, “An Act to Lower Consumer Electricity Costs by Prohibiting the Recovery of
Costs Attributable to Net Energy Billing.”

This bill would prohibit utilities from recovering the costs attributable to Net Energy
Billing (NEB) in their rates and would instead require them to be paid with general fund
revenue. We understand the impetus behind this bill, but we find the proposed solution here
to be unworkable. The bill prohibits recovery of NEB costs by the utility through rates, but
the bill does not account for what will happen if the general fund funding for these costs
fails to materialize or falls short in a given year. The NEB program is not optional for the
utilities to participate in—it is required by statute and the utilities themselves cannot make
the program less expensive. If general funding failed to materialize to cover their costs, CMP
and Versant would immediately be put in an untenable financial situation: their ability to
raise or borrow money and to remain solvent would be at risk. Bankrupting our utilities does
not serve the ratepayers’ interest in stable and affordable rates or safe and reliable service.

Accordingly, while the OPA would support using general fund resources to offset the
cost of the NEB program, this bill puts the proverbial “cart before the horse,” and we do
not support it.

Thank you for your time, attention, and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 839 and will be available if requested for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Heather Sanborn
Public Advocate