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THE MAINE SENATE
132nd Legislature

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**Joint Standing Committee on Energy, Utilities and Technology on
LD 1317, An Act to Promote Responsible, Cost-effective Energy in Maine by
Amending the Tariff Rates Applicable to the Commercial and Institutional
Net Energy Billing Program
April 10, 2025**

Senator Lawrence, Representative Sachs, and esteemed members of the Joint Standing Committee on Energy, Utilities and Technology: I am Senator Rick Bennett of Oxford; and I have the honor of serving 14 communities in Western Maine in the State Senate. I am here to present LD 1317, “An Act to Promote Responsible, Cost-effective Energy in Maine by Amending the Tariff Rates Applicable to the Commercial and Institutional Net Energy Billing Program.”

In 2019, the state expanded net energy billing to foster the growth of solar energy. Rather than having the Public Utilities Commission determine the pricing for energy generated by solar, the statute tied it to the Standard Offer price, ensuring solar developers received above-market rates for their energy. We all know this policy brought about the rapid proliferation of solar arrays across our state.

The Public Advocate has highlighted that the majority of these facilities—88% of which are owned by out-of-state entities, often backed by Wall Street private equity—are receiving payments of 20 cents or more per kWh, while their production costs are less than 10 cents. As a result, the “stranded cost” line on electric bills has surged dramatically. My office has been inundated with calls from constituents who are struggling to make ends meet and are deeply concerned about this additional “Public Policy” charge.

Our program, though well-intentioned, grew too large, too quickly. To borrow a phrase from *Field of Dreams*, the state built it, and developers came. Drove of them. According to the Governor’s Energy Office’s [Solar Dashboard](#), the state has seen 11,151 projects since the law took effect in 2020. In recent weeks, the Public Advocate testified before this committee, estimating that the stranded cost will cost ratepayers at least \$240 million annually for the next 20 years—amounting to \$4.8 billion over this period.

The current system is not equitable and is becoming increasingly unsustainable. Perversely it is turning some against the movement toward electrification itself.

I’ve heard from commercial customers and small business owners across my district who have seen their electricity bills skyrocket. One business in South Paris that previously paid \$6,000 per month is now facing a bill of \$10,000 due to the stranded costs.

It is unfair to require struggling Maine businesses and residential ratepayers to pay out-of-state private equity firms an over-market premium because of the Legislature’s public policy

choices. But I believe it is also unfair to change rules once people have made expensive investments based upon them. These projects can cost hundreds of thousands or even millions of dollars to develop. People have spent these funds and entered these contracts because of guaranteed return on the investment. In my view it would be irresponsible and send a bad signal about Maine government's respect for the rule of law if we eliminated their ability to earn back their investment.

After consultation with a several interested parties, I am proposing that 12 cents would be a fair rate. While 12 cents is above the cost of producing the energy, it is significantly below the current rate. This means that investors will still be able to make money, although not as much as quickly, but also that ratepayers will see a significant decrease in their electric bills.

I do not oppose solar or any other type of renewable energy development. I support smart solar and smart renewables that are affordable for my constituents. Unfortunately, the current policy is not that. We want to encourage adoption of the beneficial electrified economy, and pushing these costs on ratepayers actually discourages people and businesses to electrify.

With electricity use expected to quadruple in Maine by 2050, we all need to lean into the challenges of creating a smart, efficient grid and better functioning utilities. We also need a smooth transition to clean energy generation that is fair and equitable for all.

I urge you to vote "ought to pass" on LD 1317. Thank you for your consideration today.