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4-10 -

Senator Mark Lawrence, Senate Chair
Representative Melanie Sachs, House Chair
Committee Members on Energy, Utilities and Technology
2 State House Station
Augusta, ME 04333

LD 1321, "An Act to Reform Net Energy Billing by Establishing Limitations on the Programs' Duration and Compensation"

Dear Senator Lawrence, Representative Sachs, honorable and distinguished Members of the EUT committee,

This statement provides written comments from Sundog Solar LLC in opposition of LD 1321.

Sundog Solar and our dedicated company of 30+ employees, has been operating out of Searsport Maine since 2009. We offer installation and maintenance services for photovoltaic, energy storage, heat pump and Electric Vehicle charging technologies. Sundog's company vision is to "*Energize a Brighter Future*" which we deliver through our mission of "*Megawatts of Happy Customers*". Our guiding values are *Integrity, Work Ethic* and *Craftmanship*. Sundog develops turnkey installations for both residential and commercial customers. Our company's position in the Maine marketplace offers valuable experiences of the interconnection of Level 1 and 2 renewable distributed energy resources (DERs).

I stand here today to urge this committee to vote against the adoption of the proposed changes to the NEB program presented in the bill. This LD aims to severely cut the compensation for a renewable kWh to essentially one half of what currently exists today. The proposed language to Sec. 1. 35-A MRSA §3209-A, sub-§1, ¶C reduces compensation to "Supply Charges" only. This change indicates a clear devaluation of renewable kilowatt hours supplied by DER interconnecting rate payers. The language overlooks the passage of LD 1986's direction requiring the ME PUC to procure an annual report on the Net Energy Billing program and the results of the 2023 analysis summary showing that the benefits outweigh the costs at a ratio of 1.29 : 1. Table 5 on the following page shows the individual program variants and their individual costs and benefits to the NEB program, resulting in a total of a 30 million dollar (\$30M) benefit over costs to rate payers. Most importantly, the highlighted middle row of this table represents the program variant for NEB kWh credit, behind the meter, showing that the benefit to cost ratio is 2.72 : 1. Said differently, this is a \$2.72 benefit to the distribution network for each \$1.00 of cost.



**Table 5 -
2023 NEB Program Variant Summary Cost and Benefit in Millions of Dollars**

Program Variant	Costs	Benefits	Benefit-Cost Ratio
NEB Tariff Rate	\$96.87	\$94.76	0.98
NEB kWh Credit	\$33.89	\$65.57	1.93
NEB kWh Credit (BTM)	\$10.28	\$27.97	2.72
NEB kWh Credit (FTM)	\$23.61	\$37.59	1.59
NEB Program Total	\$130.76	\$160.33	1.23

Next, Figure 4 provides a summary of the NEB program costs and benefits by the program variants on a million-dollar per MW_{AC} basis.

Source: Analysis of 2023 Net Benefits of Net Energy Billing Program: Prepared for Maine Public Utility Commission

Sec. 3. 35-A MRSA §3209-A, sub-§10 reduces kWh NEB projects to 20kW and recently amended 60kW. Although I appreciate that an effort is being made to maintain a pathway of NEB to residential and small commercial businesses, this size reduction would dramatically constrict small, local businesses in participating in NEB. The 60kW value seems to be arbitrarily assigned with no common reference to any of the other kW size values within the current NEB and Interconnection laws. As a member of the LD 327 working group, we have been discussing the prioritization of “on-site load” ICGF’s with a size value of **250kW** under “reserved capacity”. This idea is born from the express language of LD 327 directing the PUC to adopt rules in favor of interconnection “in a manner that supports the goals in this section and ensures:

*A. The State's interconnection rules reflect nationally recognized best practices, which may include, but are not limited to, those established by the Interstate Renewable Energy Council, or successor organization, **and prioritize interconnection of solar resources and energy storage systems owned by customers of investor-owned transmission and distribution utilities and used to serve an on-site load;***

This is important because the arbitrary size reduction would prevent small businesses from participating and benefiting from NEB. Several project examples which Sundog Solar developed and installed in 2024 are summarized below, none of which would be possible if LD 1321 is adopted.

Viking Lumber (Versant Power Territory Locations). Viking Lumber had more than (5) projects interconnected in order to address all of their meters at each of their locations totaling over (10) meters. Two of the projects were over 60kW in size.



Pratt Chevrolet (Calais / EMEC). 30kW upgrade to an existing 100kW DER. This upgrade wouldn't have been possible due to the original (2016 vintage) system being 100kW and the addition bringing the total DER size to 130kW.

King's Mountain Community Solar (Versant Power Territory). King's mountain is larger than 60kW eliminating the potential of participating in NEB under the LD 1321 language. This project also had over (10) accounts that the kWh credits are supplied to.

Tide Mill Organic Dairy Farm (Versant Power Territory). This project is over 60kW and the farm would not be able to offset its electric costs or act on its keen interest in positive environmental contributions to its operation, with renewable energy under LD 1321 proposed language.

Bartlett Woods Assisted Living Facility (CMP Territory). This project, made up of two separate systems, is well over 60kW in size. The organization was limited in offsetting their load based on their rooftop footprint. At the installed size of 140+kW, they are only offsetting approximately 40% of their load for the 60+ residential tenants that live in the building.

State of Maine Department of Agriculture, Conservation and Forestry (DACF) (Versant Power & CMP territories). The State wouldn't be able to act on offsetting the DACF's multitude of meters and loads across their different properties under LD 1321. Their current (5) projects are larger than 60kW and offset more than (10) individual small business and residential accounts under the kWh program.

Sunsetting the NEB program in 2045 further constricts ratepayers and the market in participating in NEB in the immediate and coming years. The typical residential solar investment under current program compensation values takes approximately 6-10 years to recoup their initial investment, depending on project variables. This indicates that investing into a grid tied photovoltaic system after 2035 will be a neutral or negative investment for homeowners, clearly begging to suffocate the industry as soon as the legislation were to be adopted.

On behalf of Sundog Solar, our 30+ employees, and more importantly on behalf of our customers and other interconnection rate payers, we strongly urge this committee to reject both LD 1321 and vote "NO" on this bill. Thank you kindly for your attention to this critically important matter at hand and for the opportunity for our voice and opinions to be heard.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Piper".

Danny Piper
Principal Owner
Sundog Solar LLC