

**Testimony of  
George Lapointe, Mayor, City of Hallowell  
Before the Joint Committee on Energy, Utilities, and Technologies  
10 April 2025**

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

I am George Lapointe, Mayor of the City of Hallowell, Maine. I am here today testifying on my own behalf and not for Hallowell City Council. I am also a homeowner who has solar panels on our home that have been generating power for five years. I am here to testify in opposition to LD 1321, An Act to Reform Net Energy Billing by Establishing Limitations on the Programs' Duration and Compensation

Hallowell believes strongly that an aggressive approach is needed with respect to clean energy production and reducing fossil fuel emissions in the environment. Hallowell's Comprehensive Plan, adopted by the City Council in 2022, includes the following language that is relevant to today's hearing.

- A vision for Hallowell in 2030 includes "By investing in low-carbon initiatives and lifestyles, Hallowell will be *sustainable*".
- We affect the impact of global climate change through positive, sustainable changes at the local level, with a focus on sustainable energy resources such as solar projects

Hallowell has taken this issue seriously and had entered into a contract with Perennial Renewables to place a 700kW solar energy project on city owned land that will also house our Public Works Department. We are doing this because it is the right thing to do for the environment and it makes economic sense. If LD 1321 were signed into law, Hallowell would stand to lose \$300,000, including 20-years of electricity savings (\$140,000 at \$7,000/year), and 20 years of lease payments (\$160,000 at \$8,000/year). Hallowell will lose this already permitted investment if this bill is signed into law. This is because of the 1 November 2025 cutoff date for projects to be operational. The Perennial Renewables project will not receive the transformer for the project until 15 November. This means that this project will not be allowed to move forward in spite of an agreement with the city of Hallowell, and substantial investment by Perennial Renewables.

The phase out of net energy billing proposed in LD 1321 will also diminish the value of the many solar energy projects throughout Maine. This does not make sense for Maine or from a business perspective. My understanding is that net energy billing was implemented to accelerate Maine's clean energy transition, incentivizing the development of small and large-scale distributed solar energy projects allowing the owners of solar projects to offset their electric bills using credits generated when their solar array produces excess power. The excess power generated is fed onto the grid and serves neighboring households and businesses.

My understanding is also that net energy billing provides the following benefits:

- Cost savings to all ratepayers. In 2022 the Energy, Utilities and Technology committee tasked the MPUC with providing annual reports on the net energy billing program's cost and the benefits of distributed generation. Last year's report showed that, in 2023 alone, net energy billing provided nearly \$30 million more in benefits than costs.
- Strengthening the grid through upgrades paid for by the solar owner. Often, upgrades are required to interconnect solar installations with the distribution grid. These upgrades can deliver shared benefits to all ratepayers if they provide reliability benefits or accelerate upgrades that would have been required.
- Increasing equitable access by allowing individuals who cannot install their own systems to participate and benefit, promoting equitable access to renewable energy savings.
- Reducing peak demand and transmission costs by increasing local and distributed generation of renewable energy
- Reducing greenhouse gas emissions and improving air quality through adoption of renewable energy. This supports Maine's and Hallowell's environmental goals.

Importantly, the future elimination of net energy billing will, over time, increase Maine's dependence on imported fossil fuels. The current and future uncertainty caused by tariffs, particularly with Canada, heightens the concern about imported energy sources. Given this uncertainty, it is clear to me that we need more, not fewer, ways to stabilize and strengthen Maine's energy mix from within our state.

For these reasons, I oppose LD 1321 because it proposes regressive steps in Maine's desire and need to become more energy independent and less dependent on fossil fuels for electrical generation

Thank you for your service to the State of Maine. I am happy to answer any questions that Committee members have.