



Maine Conservation Voters

Inform. Vote. Protect.

Testimony in Opposition to LD1321, An Act to Reform Net Energy Billing by Establishing Limitations on the Programs' Duration and Compensation

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Lucy Hochschartner, and I am the Climate and Clean Energy Director with Maine Conservation Voters (MCV). MCV represents over 14,000 members and supporters who are building a just, thriving future for all by acting on the climate crisis, protecting the environment, and safeguarding our democracy. I am here today to testify in opposition to LD1321, An Act to Reform Net Energy Billing by Establishing Limitations on the Programs' Duration and Compensation.

We are in a climate crisis. In 2024, global emissions hit yet another new peak.¹ Transitioning away from fossil fuels is an absolute necessity to ensure families in Maine have a livable future. There is no time to waste, and with unprecedented attacks on clean, affordable electricity across the country, Maine must ensure that we keep pushing forward, rather than getting dragged backward. Communities on our coasts and in the mountains, up north and in the south, all need a transition to clean energy to prevent further damage from new realities like climate disasters, shifted growing seasons, and the loss of winter tourism.

I also understand we are in an affordability crisis. I take that very seriously and have frequently come up to testify in support of programs for low-income customers and programs. I know that per S&P Global Commodity Insights data, household electricity prices in Maine rose 65.5% between 2018 and 2023. That was almost three times the rate of inflation and more than any other state in the country.² I know that the recent ERAC report on energy burden estimates that low-income households in Maine have an average electricity burden of 8% — more than twice what is considered affordable, though that may not fully capture assistance that these

¹

<https://www.carbonbrief.org/analysis-global-co2-emissions-will-reach-new-high-in-2024-despite-slower-growth/>

²

<https://www.spglobal.com/market-intelligence/en/news-insights/articles/2024/8/rising-us-power-prices-reflect-new-reality-for-utilities-in-warming-world-82591284>

households are receiving.³ Just this week, I was in Scarborough hosting an event to help people understand their utility bills, and we went through . Electricity is a basic need, and MCV is working diligently on both near-term and long-term solutions to move toward universal access.

I also know that while it is not the entire solution, clean electricity is a critical part of *any* affordability solution. Fossil fuels are costing us. In 2021, Maine spent more than \$4.7 billion on imported fossil fuels. To keep that money in customers' pockets and in our own local economies, we need to electrify and transition to clean forms of electricity generation. Furthermore, these fossil fuels are also worsening storms that are having an increasingly large effect on our electricity costs. Net energy billing has been a critical policy tool to help us bring clean and Maine-made solar generation online. Like any resource, that has cost money. However, it has also brought incredible *benefits* to ratepayers and our society. In 2023, for every dollar invested in the grid through this program, there were \$1.29 in benefits.⁴ These benefits ranged from reducing transmission and distribution needs to suppressing prices by shaving peak demand. We need to ensure that moving forward, the state continues to invest in solar.

This bill creates a toxic environment for Maine businesses and would be a chilling blow to Maine-made solar energy. This bill would put not only projects, but entire businesses, at risk. They made plans in good faith to enter a program that the legislature set up, and it is important that these businesses are able to stay solvent and keep providing benefits to Maine ratepayers through existing projects. This bill puts all of that at risk. It also treats solar developers as substantially different from others that are making profits in our energy system — namely gas companies, utility companies, and competitive electricity providers.

I believe we all share the goal of ensuring that all customers have the electricity they need to thrive, and if that is the case, there are many other avenues we can take to address the problem. We could take the lead of utilities like LA Water and Power, which ended disconnections, France's utility EDF, which provides a lifeline amount of electricity to all customers, expand our efficiency and weatherization programming, continue to build out clean electricity generation that allows us to get off volatile and expensive fossil fuels, lean into beneficial electrification, or address the elevated rate of return that costs electric and gas customers tens of billions of dollars each year nationwide.⁵

Sincerely,
Lucy Hochschartner

3

https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/VEIC_Maine%20Energy%20Burden%20and%20Affordability%202024_2.pdf

4

<https://www.maine.gov/mpuc/sites/maine.gov.mpuc/files/inline-files/Solar%20-Y2023%20-CBA%20-%20LD%20327.pdf>

⁵ <https://www.economicliberties.us/our-work/rate-of-return/>