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Senator, District 2
Senate Republican Leader

THE MAINE SENATE
131st Legislature

3 State House Station
Augusta, Maine 04333

LD 257, "An Act to Eliminate the Practice of Net Energy Billing"

Joint Standing Committee on Energy, Utilities and Technology
February 27, 2025

Senator Lawrence, Representative Sachs and Distinguished Members of the Joint Standing Committee on Energy, Utilities and Technology:

My name is Trey Stewart; and I represent Senate District 2, which encompasses several communities in Aroostook and Penobscot Counties.

I am here today to present LD 257, *"An Act to Eliminate the Practice of Net Energy Billing."* As the title indicates, this measure repeals the authorization of the Public Utilities Commission (PIC) to adopt new rules governing net energy billing (NEB) and prohibits the Commission from adopting rules that require a transmission and distribution utility to allow a customer to participate in net energy billing. In short, this bill and the others like it repeal the "solar tax."

No doubt, you've all heard from constituents about their rising costs of electricity bills. Many may believe these drastic increases are due to the utility companies as the bills arrive to their mailboxes printed on their letterhead. However, that's not the full picture by a long shot. In 2019, the Legislature dramatically expanded subsidies for the solar industry to promote the construction of new solar projects, paying retail rates that include subsidies for transmission and distribution that generators never provide. What's worse, in my opinion, is the way in which the legislature decided to pay for this subsidy – entirely on the backs of every ratepayer serviced by a COU in Maine. Whether you realize it or not, we have the most generous subsidy for solar in the entire country – perhaps the entire world; but we have shirked our responsibility in state government to responsibly pay for it.

To be clear, this guaranteed rate of return that is set in statute is the only place where we behave as such in our electricity procurement process. For example, if a generic solar developer was to bid on a PUC RFP for 50 megawatts of solar energy to be produced in Maine, competition would be injected into the process, pencils would be sharpened, and the winning bid would be for a fraction of the cost that we are paying compared to the NEB kwh cost. Instead, we've gone about it entirely backwards at the bequest of the solar lobby. We guarantee them that there's no need to get competitive with their pricing or be reasonable with what they saddle ratepayers with because regardless of whatever the costs are for their projects, we guarantee them a generous price. And we are all paying mightily for this.