



Committee on Energy, Utilities and Technology  
% Legislative Information Office  
100 State House Station  
Augusta, ME 04333

May 1, 2025

Re: Public Hearing, LD 1777, An Act to Clarify Tariff Rates for Nonresidential Customers  
Participating in Net Energy Billing with a Distributed Generation Resource

Dear Senator Lawrence, Representative Sachs and Members of the Committee:

Thank you for the opportunity to share testimony in opposition to LD 1777, *An Act to Clarify Tariff Rates for Nonresidential Customers Participating in Net Energy Billing with a Distributed Generation Resource*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, biomass, and tidal energy generators and developers of such projects, as well as companies that provide services to those producers, such as environmental engineers, electricians, and general contractors.

LD 1777 proposes to have the Maine Public Utilities Commission (MPUC) establish and revise the tariff rate for a customer participating in net energy billing (NEB) such that it is “just and reasonable” and does not exceed 1.5 times the average of the tariff rates set by other states in the region. MREA opposes this legislation because it provides no regulatory certainty, lacks adequate or perhaps misguided direction to the Commission, and is a retroactive change that would chill renewable energy development and investor confidence in Maine.

LD 1777 proposes to allow the MPUC to establish and revise “as needed” the rate of individual, existing tariff projects. While we appreciate that this individualized approach is responsive to the reality that a blanket rate change will negatively impact some projects more than others, it would likely require that project owners and offtakers reveal proprietary information. Moreover, the MPUC could conceivably change rates at any time, which is an unacceptable risk for project owners and offtakers alike—offtakers that include Maine municipalities, school districts, water districts, and businesses.

LD 1777 does not define or otherwise establish what is meant by “just and reasonable”, which may result in an outcome separate from legislative intent. Furthermore, benchmarking rates so that they “may not exceed 1.5 times the tariff rate set by other states in the region for a

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similar distributed generation resource" unduly ties Maine's rates to what may be unreasonable decisions made by other state lawmakers and regulators.

Finally, though not exclusively, the Maine Legislature has rolled back this program three times. Each time, it has specifically avoided retroactive changes. Regulatory uncertainty in Maine has already caused some MREA members to cancel projects and new investments in the state. Others have said in no uncertain terms that retroactive changes will cause them to spend future investment dollars elsewhere. This capital is essential to achieving Maine's clean energy goals and sustaining and growing Maine's renewable energy industry.

For these reasons and more, MREA urges the Committee to vote 'Ought Not to Pass' on LD 1777.

Sincerely,

A handwritten signature in cursive script, reading "Eliza Donoghue".

Eliza Donoghue, Esq.  
Executive Director