

Maine Conservation Voters

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Testimony in Opposition to LD1777, An Act to Clarify Tariff Rates for Nonresidential Customers

Participating in Net Energy Billing with a Distributed Generation Resource

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 LD1777, An Act to Clarify Tariff Rates for Nonresidential Customers Participating in Net Energy Billing with a Distributed Generation Resource.

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. While MCV understands that there may be a need for changes to existing programs, we would urge the committee to *also* consider forward-looking programs that will meet the moment. The unfortunate fact is that New England is still reliant on fossil fuels for more than half our electricity needs.² Changing this must be a top priority.

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. 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. 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

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

² https://www.maine.gov/energy/electricity-prices

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

affordable, though that may not fully capture assistance that these households are receiving. 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. For instance, this year, CMP ratepayers are being asked to cover \$228 million in storm recovery costs from 2024.⁵ We don't fault anyone for looking for savings on this program, but we hope that the same energy is poured into all other parts of the utility bill as well.

This bill is a good faith effort to keep both customers and businesses whole; however, there are some details missing. I appreciate that this legislation is limited to the tariff rate, and I also appreciate that it allows for flexibility between the needs of different projects. However, I am concerned by the ability of the PUC to change this rate at any time. This program has already been changed multiple times. Every time there is a change, it increases uncertainty for developers and the municipalities, schools, and others that have invested. Furthermore, there is too little direction around what is "just and reasonable." It will be impossible for offtakers and developers to plan in this environment.

I believe we all share the goal of ensuring that all customers have the electricity they need to thrive, and we are excited to continue to engage on potential shifts to this program. It is important, though, that we also look at other affordability and consumer protection solutions and do not lose sight of the ultimate need, which is to decarbonize our electricity system.

Sincerely, Lucy Hochschartner

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

⁵ https://www.pressherald.com/2025/02/28/cmp-seeks-228-million-for-2024-storm-repair-costs/