



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

October 30, 2025

Re: Public Hearing, LD 1966, An Act to Improve Access to Community Solar Programs in the State

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

Thank you for the opportunity to share testimony in support of LD 1966, *An Act to Improve Access to Community Solar Programs in the State*, 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, and biomass 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 1966 proposes to (1) direct the Maine Public Utilities Commission ("Commission") to require that transmission and distribution utilities ("utilities") offer consolidated billing to a distributed generation (DG) resource at its request, removing a significant hurdle for low- and moderate-income individuals and families that want to enjoy the cost-saving benefits of community solar; (2) increases cost transparency in utility billing practices for services *other than* regular electricity service, including vegetative trimming, residential interconnection bills, or energy development interconnection bills; and (3) compels utilities to provide complete and accurate descriptions of public policy charges on consumer bills. Please note that MREA supports the Sponsor's Amendment and that we are not opining on Sections 2 and 3 at this time.

MREA strongly supports creating a consolidating billing/net crediting option.¹ Maine subscribers to community solar projects currently utilize "dual billing", in which subscribers' electric bills are reduced by the full value of the bill credits associated with the subscribers' share of the community solar project's generation, while the subscriber pays a separate bill to the community solar subscriber organization for a discounted value of the bill

¹ See Sections 7 - 10.

credits. In other words, the subscriber pays both an electric bill and a bill to the community solar subscriber organization.

Net savings are realized when the subscriber subtracts the costs of the credits paid to the community solar organization from the reduction on their bill resulting from the bill credits. For example, a subscriber may receive \$100 in credits on their electric bill, and then would pay their community solar subscription organization \$85 in a separate bill for a subscription fee, resulting in a net savings of \$15 (or 15%).

Dual billing is a barrier for low- and moderate-income households because it introduces another bill to manage, even if it results in net savings. Paying a second, community solar subscriber organization bill can be especially challenging because there are typically many options to pay a utility bill, including in cash at grocery stores or Walmarts, while many community solar subscriptions require online payments or even autopay, making the subscription inaccessible to unbanked customers or households with uncertain cash flow.

Further, with dual billing and limited data sharing between utilities and community solar providers, there is greater potential for a subscriber to pay for more solar bill credits than they can use - or when utilities are delayed in allocating credits on households' bills, for customers to pay for credits that have not yet reduced their bills. The dual bills, need for auto-pay, and additional complexity has deterred low- and moderate-income families from participating in community solar and benefiting from savings.

LD 1966 would compel utilities to allow "net-crediting" (a form of consolidated billing) at the distributed generation resource's request. Net-crediting is a method by which the bill credit savings associated with the subscriber's share of generation and the subscription fee for community solar services are incorporated into the subscriber's standard electricity bill for an administrative fee. LD 1966 proposes to have this fee paid by the community solar subscription organization. This process facilitates the recovery of the community solar subscription expenses through the utility's billing mechanism, ensuring that community solar subscribers receive a singular, consolidated bill that encompasses both traditional utility services and community solar subscriptions. The community solar provider's subscription fees are first subtracted from the monthly bill credits, leaving a net credit on the customer's utility bill to offset any remaining utility charges. The utility then remits the collected subscription fees to the community solar provider, less the administrative net crediting fee (LD 1966 proposes no more than 1% of the subscription fee). Using the same example from above, with net crediting, the customer would receive a \$15 net credit directly on the electric bill, the community solar organization would receive \$84 directly from the utility, and the utility would retain \$1 for processing the credits.

In addition to eliminating a troublesome second bill, net crediting is a strong consumer protection because the subscriber never pays for credits they cannot use. It also allows community solar organizations to serve unbanked customers and customers with low credit scores. Additionally, net-crediting addresses a problem specific to LIHEAP and LIAP recipients. If a community solar subscriber receives energy assistance credits directly on their utility bill

through the LIHEAP and LIAP programs, their energy credits may “roll back” their metered usage so much that there is nothing left for their energy assistance credit to be applied to. The result is that the energy assistance funding will remain unused, while the customer continues to pay their community solar subscription fee. Net-crediting addresses this issue by applying the LIAP and LIHEAP credits to the balance of the customer’s electric bills once the community solar net credits have been applied, allowing the customer to take full advantage of energy assistance programs.

MREA strongly supports increasing cost transparency in utility billing practices.²

Utility customers have long been receiving invoices that include substantial “administrative charges” with little to no explanation of what constitutes the charges, including bills without explanation of specific line items and without description of whether those line items include overhead, adders, or other charges. This lack of information regarding the scope and magnitude of administrative charges makes it difficult to assess whether the invoices are reasonable and difficult to dispute charges that appear unreasonable. LD 1966 would require that utilities disclose, identify, and describe any administrative charges included in a customer bill for work funded directly by that customer, excluding labor, materials, or supplies. This requirement is for bills other than regular electricity service, such as bills for line extensions, vegetative trimming, residential solar interconnection, or generation developer interconnection.

MREA is particularly interested in increasing transparency in interconnection bills. As part of their testimony first submitted in support of LD 1949 earlier this year, ReVision Energy included a redacted interconnection cost reconciliation bill from 2023. The bill is for a 1.5 MW AC project’s interconnection and includes only four line items: contractors, labor, materials, and other. There is no description or itemization of each category, or what overheads or markups were applied. It is unclear what charges fall within the “other” category.³ The lack of clarity on bills similar to this example has led to years of dispute resolution for MREA members, which is an unacceptable use of resources for all parties involved. Such disputes have indicated that administrative charges often account for much of the deviation between utility estimates and the final costs assessed to customers. These indirect fees comprise a major portion of the overall costs assigned to many interconnecting customers. MREA supports this portion of the bill as a common sense approach to aid transparency, reduce disputes, and in turn, reduce costs that may be passed along to ratepayers.

MREA supports enhanced public education on “public policy charges” in consumer bills. Inaccurate or incomplete representation of “public policy costs” on utility bills and on customer-facing utility websites may mislead customers and, in turn, interfere with the pursuit of Maine’s clean energy transition goals. Currently, Maine utilities include language on both utility bills and customer-facing websites that describe public policy charges on a customer’s electric bill. For example, Central Maine Power Company’s customer bills currently

² See Section 1. Note that MREA supports the Sponsor’s Amendment, which strikes and replaces Section 1.

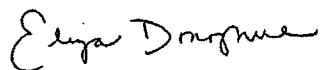
³ The Maine Public Utilities Commission approved a 16% “Administrative Support Charge” (ASC) in Docket 2005-00520. The “other” in this bill equals approximately 14% of the total bill.

have a statement noting that most customers are “paying \$15 a month” in public policy charges that are “non-CMP costs including net energy billing subsidies, low income assistance and energy efficiency.” The clearly highlighted portion on the first page of the bill directs customers to a website which explains that “Net Energy Billing incentives are the primary contributor,” that the legislature’s goal was to “offer financial incentives for solar developers”, and that these “incentives have attracted widespread solar development.” A sub bullet also makes note of stranded assets due to restructuring, but does not explain the associated costs, what stranded costs are, and instead simply states that CMP “was left with certain interests and obligations related to generation.” This is an incomplete description of public policy charges. By contrast, the Maine Governor’s Energy Office outlines “Electricity Delivery Prices” on its website, noting “Delivery costs also include components for various programs, including energy efficiency programs, renewable energy contracts, and assistance programs including the Electric Lifeline Program and Low-income Assistance Program.” It then goes on to outline what those costs are. LD 1966 would require that utilities that include public policy charges on customer bills include on the customer bill an accurate and comprehensive description of all costs and benefits of public policy charges, including, but not limited to, energy efficiency programs, renewable energy programs and low-income energy assistance programs.

MREA supports striking Section 12. Section 12 directs the Commission to conduct a proceeding pursuant to 35-A MRS §3209-E(2)(A) to examine and evaluate opt-in program designs to reduce net energy billing (NEB) costs, specifically, through the use of long-term financial mechanisms and buy-down arrangements in consultation with entities such as the Finance Authority of Maine by December 31, 2025. This law, absent the December 31, 2025 “due date”, is the result of the 131st Legislature’s LD 1986, which rolled back and addressed costs resulting from the NEB program. Since LD 1966’s printing, the Commission has opened such a docket (Docket No. 2025-00193, opened on June 25, 2025). Though there has been no activity in the docket, the fact that it has been opened coupled with the First Special Session’s passage of LD 1777 (P.L. 2025, Chapter 430) negates MREA member interest in pursuing alternative financing mechanisms to reduce the cost of the program. As such, we support striking Section 12.

Thank you for your consideration of our testimony.

Sincerely,

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

Eliza Donoghue, Esq.
Executive Director