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PUBLIC ADVOCATE

**Testimony Neither For Nor Against  
LD 1223, “An Act to Establish a Tax Credit for Net Energy Billing Costs”  
February 18, 2026**

Senator Grohoski, Representative Sayre, and distinguished members of the Joint Standing Committee on Taxation,

My name is Heather Sanborn, here today as Public Advocate, to testify neither for nor against LD 1223, “An Act to Establish a Tax Credit for Net Energy Billing Costs.”

The Office of the Public Advocate represents the interests of Maine utility consumers, advocating for fair rates, services, and practices in regulatory and court proceedings pursuant to 35-A M.R.S. § 1702. Our work is primarily conducted before the Maine Public Utilities Commission, with additional participation in proceedings before the Federal Energy Regulatory Commission. We also testify before the Legislature on utility-related matters and provide information on utility services to the public.

We appreciate Representative Foster’s proposal to provide residential and small business utility customers with a tax credit to offset a portion of their electricity costs related to net energy billing. In general, we do think that a public policy intended to achieve climate change objectives, such as increased solar development, is best funded through the General Fund rather than through ratepayer funding. The tax credit proposed by this bill would return approximately \$120 per year to Maine residential customers.

However, we are concerned that in this time with limited General Fund funding available, this is not the most targeted and effective way to bring affordability to Maine utility customers. In the last legislative session, the Legislature expressed broad, bipartisan support for LD 995. That bill proposed a \$15 million General Fund appropriation over the biennium that would flow to low-income electricity customers through the Low Income Assistance Program (LIAP), an existing statutory program that is administered by the PUC and Maine Housing in coordination with each of the utilities. LD 995 is currently awaiting funding on the Special Appropriations Table, and we strongly encourage that it be funded in this year’s supplemental budget.

Last year, the Electric Ratepayer Advisory Council issued clear recommendations urging the Legislature to fund LIAP at a level sufficient to reduce participating households’ electricity burden to an affordability target of 4 percent of income. More recently, the Public Utilities Commission completed a rulemaking and approved additional ratepayer funding for LIAP for the upcoming program year, which moves the program part of the way toward that objective. However, the Commission is understandably reluctant to fully fund the program to cover the full need using exclusively ratepayer funding. Fully funding

LD 995 would close the remaining gap and allow LIAP to adequately serve the nearly 48,000 participants anticipated in the next program year.

Rather than supporting small across-the-board tax credits, the OPA strongly urges the Legislature to instead support General Fund funding for the LIAP program to bring meaningful relief to Maine families struggling to keep their lights on.

I welcome your questions and would be pleased to provide additional information for the work session.

Respectfully submitted,  
Heather Sanborn  
Public Advocate