



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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Testimony of the Maine Public Utilities Commission

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 (Committee), my name is Deirdre Schneider, testifying neither for nor against the sponsor's amendment to LD 1223, An Act to Establish a Tax Credit for Net Energy Billing Costs on behalf of the Public Utilities Commission (Commission).

The sponsor's amendment includes a tax credit for costs associated with net energy billing. The Commission believes there is merit in exploring a tax credit for public policy costs that provide societal benefits. Allowing a tax credit for a portion of electricity costs associated with public policy effectively shifts the costs from electric ratepayers to the general fund, essentially removing the regressive nature of these costs.

If moving forward with this bill, the Commission notes the following for the Committee's consideration.

- It may be worth considering whether those participating in net energy billing and receiving the financial benefit of the program should receive some or all of the tax credit.
- It may be worthwhile to amend the definition for "monetized benefits" to include "any additional monetized benefits determined by the Commission pursuant to Title 35-A, section 3209-C" and expand that concept to the kilowatt-hour program. While currently there are not additional monetized benefits under the tariff rate program and no specific monetized benefits under the kilowatt-hour program, these programs run for 20-years so there a possibility there could be future realized monetizable benefits.
- Amend the definition for "net energy billing customer costs" as follows:

E. "Net energy billing customer costs" means the amount paid by a residential customer or small commercial customer in a calendar year that represents kilowatt-hour credit program costs and commercial and institutional program costs ~~adjusted for~~ reduced by monetized benefits.

This change more accurately captures the process of determining these costs.

I would be happy to answer any questions or provide additional information for the work session.