



Testimony in Support of LD 709 Resolve, To Provide a Brief Moratorium on Certain New Net Energy Billing Arrangements and To Examine the Costs and Benefits of Net Energy Billing

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Senator Lawrence, Representative Berry, and distinguished members of the Energy, Utilities, and Technology Committee. My name is Robert Cleaves and I am co-founder of Dirigo Solar, based in Portland. For the reasons I will highlight in my testimony today, we oppose LDs 249, 583, and 634 and support LD 709.

As the Committee is aware from previous testimony, Dirigo, and our partners at BNRG Renewables, have developed and financed over \$100 million in the State—4 projects (in Milo, Oxford, Fairfield and Augusta) are fully built; another 4 (in Hancock, Auburn, Palmyra and Winslow) will be built in 2021; and with our recent PUC award, another \$50 million will be invested in Eddington and Augusta. We are also developers of community, or “net energy billing”—24 in the development queue.

It’s no secret to members of this Committee that solar power has now become an important feature of the State’s energy landscape. It has so much to offer Maine ratepayers—its locally sourced, enhances local economies and creates jobs, and when done right, is cost effective. The last point is vitally important, and for that reason, it is entirely appropriate—indeed essential—that the Legislature makes sure that its policies keep pace with changes in the market and make adjustments where necessary.

At the same time, the picture is not all rosey—our industry is plagued by shifting and hidden interconnection fees, and ever increasing land costs, archaic labor rules, and inconsistent tax policy.

While we welcome an ongoing discussion of the costs and benefits of community scale solar, that cannot result in a change in the rules midstream, where the State creates a program, the PUC implements rules, investments are made in certain projects, and then the rules change again. This will create another “Statoil” situation, for those of who remember what happened in 2013. As you have heard often, capital markets go where there are stable and predictable policies, and repealing or changing NEB policies midstream will tarnish Maine’s reputation and leave the State without access to capital as it builds an energy infrastructure for the 21st century.

If the Committee is inclined to make changes in the NEB program, any legislation should affirmatively grandfather, or safe harbor, any project that applied for an interconnection position before December 31, 2020. We also support the effort by the Committee to review future cost savings for community solar, and welcome the opportunity to participate in that process.