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Testimony In Opposition
LD 1955, “An Act To Facilitate Net Energy Billing”
February 22, 2022

Senator Lawrence, Representative Berry and distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology,

My name is William Harwood and I am the Maine Public Advocate, here today to testify in opposition to LD 1955, “An Act To Facilitate Net Energy Billing.”

Before getting into the details of the bill, I would like to reiterate that the Office of the Public Advocate (OPA) is supportive of renewable energy and understands the urgency to curb the effects of climate change. However, the Public Advocate’s primary mission is to protect ratepayers. Net Energy Billing (NEB), and the changes to the program presented in this legislation, place an unreasonable burden on Maine ratepayers that we cannot support.

Primarily, these costs are associated with administrative costs that would be needed to implement these changes outlined in Section 3, which would be passed on to ratepayers. 8(D) aims to, “Synchronize the customer's net energy billing cycle with the project sponsor's net energy billing cycle so that net energy billing credits are applied in real time.” Given the utility need to serve thousands of customers beyond the small NEB population, this appears to be a big ask with little benefit to ratepayers. Over time, a few days or weeks difference in billing cycles should not create any real impact to the customer benefit. They still receive the credits generated.

8(E) suggests implementation of an, “automated billing and crediting procedures determined by the commission to be necessary to ensure billing accuracy and timeliness.” Who would fund this automated billing procedure? Utility bills are already required to be accurate and timely. This requested change should not be borne by ratepayers.

Additionally, 8(F) is requesting a major change to the NEB process of applying credits. Again, who will pay for the billing modifications to accommodate this change?



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Section 8 (G) provides “In the case of a customer in a billing assistance program provided by the transmission and distribution utility, apply net energy billing credits as cash against the balance of the bill on a monthly basis and excess credits to the customer's credit account.” This appears to be moving low-income customers from the kWh program to the tariff rate program. I can only guess at all the potential ramifications this modification would have.

Section 8 (F) (2) proposes a substantial revision to NEB procedure by requiring that banked kwh be applied before current kwh. This may result in banked kwh never expiring, undermining the current requirement that banked credits expire within a year, and effectively reversing legislation from last session that required the application of expiring kwh be applied to AMP customer bills.

Another significant issue we have with the bill is Section 2, 5-A providing Community Solar customers should not be eligible for EMT or LIAP funding under the current funding schemes for these programs. These are funded by all utility ratepayers, who are already subsidizing these customers participation in NEB. This provision doesn't appear to address the root issue – HEAP and LIAP apply monetary credit to a customer's utility bill. Participating in an NEB shouldn't limit their assistance, but it should limit their ability to use the assistance in the manner in which it was not designed. Project sponsors are not approved vendors within the HEAP system and the utility cannot reimburse for the benefit amount to allow the customer to pay the project sponsor. This provision doesn't address this problem.

Finally, Section 5 requires the PUC to resolve disputes initiated by project sponsors against the customers. This would require additional resources that would need to be funded by all utility ratepayers, which is unreasonable for the same reasons described above. Additionally, under Chapter 324 a billing arrangement between a project sponsor and a



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subscriber is a private contract and is not regulated by the PUC. We question whether the PUC should referee disputes arising out of a privately negotiated contract.

The Office acknowledges that there could be some advantages to consolidated billing and more data that could help properly evaluate the Net Energy Billing program. However, it is the opinion of the OPA that utility customers should not be required to bear the administrative costs of these new requirements. To reiterate, utility customers are already subsidizing the participation of community solar customers in NEB. Solar developers should cover the costs proposed in LD 1955.

Finally, OPA believes that the issues raised by LD 1955 should be addressed by the PUC, rather than the Legislature. The PUC has the authority, resources, and expertise to review these issues and come up with solutions that carefully balance the interests of solar developers and ratepayers.

Thank you for your time, attention, and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 1955 and will be available for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

William S. Harwood
Public Advocate