



March 16, 2022

The Hon. Mark Lawrence, Co-chair  
The Hon. Seth Berry, Co-chair  
Joint Standing Committee on Energy, Utilities and Technology  
State House  
Augusta, Maine 04330

**Re: Testimony in Support of Net Energy Billing Provisions in Sponsor's Amendment to L.D. 1026, "An Act To Update the Regulation of Public Utility Monopolies"**

Dear Sen. Lawrence, Rep. Berry, and members of the EUT Committee:

On behalf of Longroad Energy (Longroad), I am writing to provide testimony in support of the Net Energy Billing (NEB) provisions in the sponsor's amendment to L.D. 1026, "An Act To Update the Regulation of Public Utility Monopolies," that Chair Berry brought forward on March 15.

Longroad develops and operates solar and wind energy projects throughout the United States. We are developing one wind project and both grid scale and distributed generation solar projects in Maine. Over the past 15 years, the Longroad team has developed more renewable energy in the state than any other developer. Longroad's national operations center is in our Portland office, from which our team of Maine Maritime Academy graduates and U.S. military veterans operates hundreds of renewable energy power plants across the country.

Longroad supports the NEB provisions in Chair Berry's amendment (sections 9 and 10), and thanks him and the Governor's Energy Office for proposing these changes. These changes to existing NEB policy would be an improvement for both Maine ratepayers and for distributed generation solar projects. The language would cap tariff rates for NEB projects and thus limit potential costs for ratepayers, and it would also provide certainty to these projects. That certainty has value, particularly to certain types of project financing.

In light of the appeal that certainty may have to some projects, Longroad urges the committee to clarify that a project could choose to be covered by the new capped tariff even if it could otherwise qualify for the safe harbor provision. Enclosed is suggested language that would simply require a project owner to notify the applicable utility that the project elects to be subject to the capped tariff rate on a permanent basis.

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Thank you for the opportunity to share our views on this matter.

Sincerely,



Matthew T. Kearns  
Chief Development Officer  
Longroad Energy Holdings, LLC

*(Proposed addition in underlined text)*

Sec. 9. 35-A MRSA §3209-B, sub-§5, as enacted by PL 2019, c. 478 section 4, is amended to read:

5. Tariff rate; bill credits. The commission shall establish by rule a tariff rates for customers participating in the program. The initial tariff rate must be established no later than December 1, 2019. A distributed generation resource with a nameplate capacity of greater than one megawatt shall receive the tariff rate described in paragraph A if the entity developing the distributed generation resource certifies by sworn affidavit with accompanying documentation to the Commission that the entity has commenced physical work of a significant nature before September 1, 2022 and thereafter the entity has made and will continue to make continuous efforts to advance toward completion of the facility, including paying additional amounts included in the total cost of the facility; entering into binding written contracts for components or future work on construction of the facility; obtaining necessary permits; and performing physical work of a significant nature. A distributed generation resource with a nameplate capacity of one megawatt or less, or that is collocated with the net energy billing customer or customers subscribed to at least 50% of the facility's output, shall receive the tariff rate described in paragraph A. A distributed generation resource participating in net energy billing under this section that does not receive the tariff rate described in paragraph A shall receive the tariff rate described in paragraph A-1. A distributed generation resource otherwise eligible for the tariff rate described in paragraph A can elect to receive the tariff rate described in paragraph A-1 as a one-time election by notifying the applicable investor-owned transmission and distribution utility no later than December 31, 2022.

A. The tariff rate must equal the standard offer service rate established under section 3212 that is applicable to the customer receiving the credit plus 75% of the effective transmission and distribution rate for the rate class that includes the smallest commercial customers of the investor-owned transmission and distribution utility.

A-1. Beginning on January 1, 2022, the tariff rate must equal the standard offer service rate established under section 3212 that was applicable to the rate class of the customer receiving the credit on December 31, 2020 plus 75% of the effective transmission and distribution rate that was in effect on December 31, 2020 for the rate class that includes the smallest commercial customers of the investor-owned transmission and distribution utility. The tariff rate shall increase by 2.25 percent on January 1 of each subsequent year, beginning January 1, 2023.