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My name is Geoff Sparrow. I was born in Maine and I live in Maine with my wife and two daughters. I have been working in Maine's solar industry for 16 years. I am testifying against this bill.

Here we are again. Just one year ago this committee made its best efforts to curtail investment in Maine's Net Energy Billing program. As a result, projects were killed, investors have lost interest in our state, and developers have had to pivot our business models on short notice on projects that take many years to develop.

This is a bill is a solution that is in search of a problem and it is not necessary. The program is working. Attrition is much more than we thought it would be a year ago and is likely well over 50%. In many cases, it is taking 3+ years to even get a project through interconnection.

The rate design of this program was well thought out when it was put in place. The only reason that we are here today is because the supply portion of our electricity costs has gone way up due to world market natural gas constraints. Proponents of this bill are claiming that 100% of the solar tariff payments are costs. This is not accurate. No one is accounting for the fact that a kWh produced by solar offsets the need to purchase a kWh from regional suppliers. Deployment of solar is one of the few ways that Maine can produce domestic energy and reduce our dependence on natural gas derived electricity. Tariff Rates will go down if and when the supply portion of electricity costs goes down.

If we were all back in 2020 this bill would look great. However, in the past two years, we have experienced rapid inflation in our economy, and construction costs have increased by 24% putting many projects under development in the red. If the rate design is to be changed it should be tied to actual costs of electricity and construction in the year that the projects go into service. The consumer price index is one example of that. A fixed escalator after that date is reasonable.

The September safe harbor date is helpful and will save some late-stage projects from being turned on their head, as would have happened with an April 1st cutoff, so thank you for making that change in the bill. However, this does nothing to prevent future projects from collapsing.

The attrition of projects is more severe than we had predicted just a year ago. Utility interconnection timelines, cluster studies, and costs are an absolute disaster and would be great issues for this committee to focus on. This bill is a knee jerk reaction to what is happening in a volatile world economy. Please do not create yet another headwind to solar project development in Maine. Let's save rate re-design for NEB 2.0.

Thank you for your time and attention,

Geoff Sparrow
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Green Lantern Solar
Vice President of Development