

LD 509, An Act to Amend the Net Energy Billing Laws to Require Net Energy Billing credits to be Nonlapsing

Senator Lawrence
Representative Zeigler
Members of the Energy, Utilities and Technology Committee

My name is Debra Hart and I am a resident of Manchester, Maine. I represent the Dirigo Electric Cooperative Companies, which include Van Buren Light & Power, Houlton Water Company, Eastern Maine Electric Cooperative, Madison Electric Works, Fox Island Electric Cooperative, Isle Au Haut, and Kennebunk Light & Power District. We testify in opposition to LD 417 on the basis that it is onerous and overly burdensome for a small consumer-owned utility, which may have negative impacts on their other ratepayers.

Net Energy Billing, or NEB, is a program that allows an owner to have a metering and billing program from a generation source for the customers own benefit. These customers have 'net energy' from their eligible generation facility and any excess generation during a given billing period may be used as a credit to offset that customers electricity usage in a future billing month. During this time, the customer enjoys the benefit of their investment in a generation source that was intended to primarily provide a customer's own electricity needs over a given period of time. A customer pays up front for this generation source, has it installed, and hopefully reaps the benefit of providing their own electricity over a 12-month period of time ~~ and at the end of that period, there is a 'true-up' of generation provided and generation used. What was not initially intended, and we would argue, is still not intended is for a customer to install a facility that would go beyond that customer's needs.

So there are benefits to the individual consumer that has the means to install generation for their own needs, and to essentially be energy self-sufficient. They paid for the system, and they have the benefit. The problem is that they do not pay for the transmission and distribution rates as the other customers

in a service territory do. So, a T & D utility that plans their delivery based on x number of customers, now has fewer customers paying for the delivery rates. In a small consumer-owned utility, you clearly have winners and losers, however, to-date the number of NEB customers is somewhat manageable in a COU territory.

In closing, the 'bargain' always was that those who were able to make the investment received the benefit of that investment, however, at the end of the year, what was left 'on the table' expires or the credits are used to benefit low-income assistance programs.

Thank you for your time and attention. I'd be happy to answer any questions or provide you with additional information you request.