



Supplemental Testimony in Opposition to Sponsor's Amendment of LD 1347

An Act to Reduce the Cost of Net Energy Billing for Maine Rate Payers

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President, Dirigo Community Solar Group

To the Joint Standing Committee on Energy, Utilities, and Technology

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Senator Lawrence, Representative Zeigler, and other distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology: my name is Steve Weems, Board Member of the Solar Energy Association of Maine (SEAM); also founder and President of Dirigo Community Solar Group (Dirigo CSG), a nonprofit association of 14 small, member-owned community solar farms. We emphatically oppose the Sponsor's Amendment to LD 1347. While it might reduce the delivery portion of utility electricity charges somewhat, in the short term, it is fundamentally destructive in nature and ignores the true benefits and costs of distributed solar generation. There are far more constructive steps the Committee can take to improve our energy future, both health wise and cost wise, which are before the Committee now. At this stage in the legislative session, a limited number of words must suffice.

- This proposal would decimate years of legislatively-authorized distributed generation (including net energy billing) planning, investment, customer commitment, and operation for about 25,000 Maine electricity customers, without due process.
- There is an orderly process, established by the legislature, to restructure the DG and NEB programs that the Sponsor's Amendment would obliterate.

- This existing process is ready to bear fruit, in the form of LD 1986, which would base all future DG development in the 1-5 MW range on a competitive bidding platform that would benefit all Maine people, and save all ratepayers money, as calculated by rigorous economic analysis. Net energy billing (NEB) would be limited to projects of 1 MW or less.
- Rather than emasculate NEB, focus on its virtues and make it beneficial to all ratepayers, which can be done by taking steps to ensure NEB projects are characterized as load reducing projects at the utility level. Then, through recurring, rigorous economic analysis of benefits and costs, make the remaining NEB program (projects of 1 MW or less) neutral or beneficial for all ratepayers by adjusted the delivery credit component of the program. Since the utilities are deregulated (do not own generating facilities), the energy portion of a NEB project should be accounted for as pass-through utility costs, like the Standard Offer or energy from any other competitive supplier.
- Based on actual benefits and costs of operational projects, consider adjustments in NEB bill credits necessary to reduce and eventually eliminate any ratepayer burden of the first-generation (current) DG program (including NEB).

All this can and should be accomplished via LD 1986, with refinements as necessary. Embrace constructive improvements leading to benefits for all ratepayers, not regressive disruption.

Steven Weems

Solar Energy Association of maine & Dirigo Community Solar Group

LD 1347

Supplemental Testimony on Sponsor's Amendment to LD 1347 filed by the Solar
Energy Association of Maine and Dirigo Consumer Solar Group