



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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Testimony of the Maine Public Utilities Commission

Neither For Nor Against

LD 1986, An Act Relating to Net Energy Billing and Distributed Solar and Energy Storage Systems

May 24, 2023

Senator Lawrence, Representative Zeigler, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying neither for nor against LD 1986, An Act Relating to Net Energy Billing and Distributed Solar and Energy Storage Systems, on behalf of the Public Utilities Commission (Commission).

Like LR 2579, LD 1986 establishes a program to foster the continued growth of cost-effective distributed solar facilities and energy storage systems in the State. Unlike LR 2579, this program is to be developed and administered by the GEO in consultation with the Commission. The program is required to be consistent with the recommendations in the final report of the Distributed Generation Stakeholder Group pursuant to Public Law 2021, chapter 390; however, no details on this process are in statute, which could be problematic, especially if there is a procurement involved. The Commission suggests perhaps directing the GEO in consultation with the Commission to develop a program and report back to the Committee next session with the details and any statutory language that may be necessary to implement the program.

The other part of this bill is related to net energy billing cost recovery. It requires the Commission to ensure that net energy billing benefits and net energy billing costs are allocated to investor-owned transmission and distribution utilities in a specific manner annually and report annually to the Committee regarding these costs and benefits. While the Commission recognizes that there are benefits associated with net energy billing, the allocation method contemplated in this bill is not workable as the benefits accrue to ratepayers in different places. For example, having an increased energy supply may reduce prices overtime, but that benefit would show up in lower bills to customer, rather than in something allocated to the utility to presumably offset the costs.

With that said it would be important to understand what those benefits are and have this information available to ratepayers. The Commission would need to hire a consultant to assist with the analysis of the benefits of NEB but believes the reporting this information is a worthwhile exercise.

I would be happy to answer any questions or provide additional information for the work session.