



**State of Maine**  
**Office of the Public Advocate**  
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PUBLIC ADVOCATE

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Chairman Lawrence, Chairman Berry and Members of the Energy, Utilities and Technology Committee,

The Office of the Public Advocate (“OPA”) testifies neither for nor against of LD 273 “An Act To Require Transmission and Distribution Utilities To Purchase Electricity from Renewable Resources at Certain Prices” which requires a transmission and distribution utility, at the request of the owner of a renewable resource, to purchase the electricity generated by that renewable resource at a price per kilowatt-hour that is 50% of the average cost per kilowatt-hour to generate electricity using a fossil fuel in this State.

The language of LD 273 as currently written is unclear. It appears to be proposing that a transmission and distribution utility (“T&D”) must purchase electricity generated by the owner of a renewable resource at a price per kilowatt hour that is 50% of the average cost per kilowatt hour to generate electricity using a fossil fuel in this state yet it is unclear as to how that calculation is to be made.

Generally, it is the case that the renewable resources portfolio requirements of the State create above market premiums for renewable resources in order to promote those resources. In addition, the amounts paid to renewable resources are done through a careful evaluation of proposals and a careful assessment of the cost proposal.

LD 273 again as currently written also requires that the Commission “annually” determine the average cost per kilowatt hour to generate electricity using a fossil fuel in this State. It is unclear what means the Commission would use to make this determination. What does the term “cost” refer to and what amounts are included or not included in “costs”?

While we recognize the policy objectives and long term goals and benefits of the Renewable Portfolio Standards (“RPS”) the OPA hears on a daily basis from ratepayers who are struggling to pay their bills. Currently both Central Maine Power Company (“CMP”) and Emera Maine (“Emera”) have rate cases filed at the Maine Public Utilities Commission (“PUC”) requesting rate increase for their distribution service. Emera requested a 12% increase in 2017 and was granted a 5.28% increase in 2018. They have now filed a new rate case requesting an increase in distribution rates of 19%. CMP has requested a 2.5% increase. The Standard offer cost for both utilities has also increased. In the past 2 years, from 2017 to 2019, Emera Supply costs have increased by 32% and for CMP 35%.

The OPA believes that the impact on customer rates for compliance with the Renewable Portfolio standards is yet another burden on ratepayers and as this committee and the full Legislature considers any changes to these laws the OPA urges you to consider the impact of these changes on customer bills.

Thank you for your time, attention and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD

273, and will be present at the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

A handwritten signature in black ink, reading "Barry J. Hobbins". The signature is written in a cursive style with a large, prominent initial "B".

Barry J. Hobbins  
Public Advocate