

William S. Harwood PUBLIC ADVOCATE

Testimony Neither for nor Against LD 1431, "An Act Requiring the Public Utilities Commission to Adopt Rules Promoting Renewable Energy" April 20, 2023

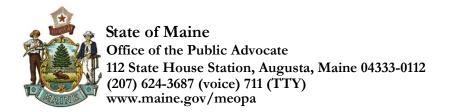
Senator Lawrence, Representative Zeigler and distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology,

My name is William Harwood, here today, as Public Advocate, to testify neither for nor against LD 1431 as amended, "An Act Requiring the Public Utilities Commission to Adopt Rules Promoting Renewable Energy."

The OPA supports the proposal to address high CEP prices. The OPA study recently prepared by Susan Baldwin includes a careful and thoughtful study of the residential CEP market. In a nutshell, 90% of residential ratepayers have declined to participate. Of the 10 % that do, there is a disproportionally large percentage of low-income ratepayers and in the aggregate, those ratepayers pay substantially more for CEP service than if they all were receiving SO service. As you heard last week during our presentation of the Baldwin Report, the costs of residential competitive electricity far outweigh the benefits to consumers. Capping CEP prices at the Standard Offer rate is an important step in the right direction.

In regard to the proposed change to the renewable energy program, before we ask ratepayers to subsidize the generation of electricity, we should be confident of three things: (1) the environmental and economic benefits are real and substantial; (2) a subsidy is necessary to achieve those benefits: and (3) the subsidy is the smallest amount necessary to realize those benefits. In other words, it is important we identify that the resources are economical, and the subsidy isn't more than necessary so the Maine ratepayer is protected. The OPA is not fully convinced that using municipal solid waste, landfill gas, or biomass as fuel to generate electricity passes those tests but is open to more discussion and supports the proposed study of subsidizing the use of biomass to generate electricity.

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Janet T. Mills GOVERNOR

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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 1431 and will be available for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

William S. Harwood

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