**LD 507** 

"An Act To Improve Consumer Protections for Community Solar Projects"

**SUPPORTS** 



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PUBLIC ADVOCATE

March 9, 2021

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

My name is Barry Hobbins and I am the Public Advocate with the Office of the Public Advocate. For the reasons described in this testimony the OPA urges the Committee to vote LD 507 "Ought to Pass."

The need for this bill arises out of developments that have occurred following enactment of 2011 amendments to Title 35-A, section 3209-A, which allowed customers to participate in net energy billing of through a shared financial interest in community solar projects. In the wake of this enactment, the state has seen a surge in the development and marketing of such projects in fulfillment of the intent of this legislation. This surge, however, has revealed a gap in the original legislation with respect to jurisdiction over consumer protection for customers being solicited to participate in these projects.

As it stands now, the Public Utilities Commission has no jurisdiction to address potential predatory or anticompetitive marketing practices, or any unfair billing practices by project developers, marketers and operators. In the absence of statutory authority being granted to the PUC, the responsibility to investigate and enforce any

unfair business practices in which these parties might engage falls on the Attorney General. The OPA believes that the Attorney General lacks both the technical expertise and resources to carry out this function effectively and that the PUC is therefore a more appropriate designee of such responsibility.

We have already seen a number of developers and marketers engaged in doorto-door sales activities as a means of reaching prospective customers. As we've seen with respect to competitive energy providers, such marketing practices, while permitted by law, have the potential to be abused. Critically with respect to these community solar project, developers are asking customers to make multiyear commitments of fifteen and even twenty years. By comparison, competitive energy providers typically seek customer commitments of only one year or less. The harm to customers resulting from entering into a contract to participate in a community solar project has the potential to be much greater.

This bill directs the PUC to adopt consumer protection rules for customers who participate in or are solicited to participate in community solar projects through a net energy billing arrangement. The provisions are relatively basic and many simply grant the PUC jurisdiction to enforce consumer protection standards that already apply. The language mirrors that set forth in Title 35-A, sections 3203 and 3486 addressing the authority of the commission to implement and enforce consumer protections for customers of competitive electricity providers and shared distributed generation resource projects, respectively. Indeed, the grant of consumer protection

authority to the PUC in section 3486 with respect to shared distributed generation resource projects, suggests that the omission of such authority in the 2011 amendments to section 3209-A was likely an oversight.

Wherefore, the OPA urges the Committee to vote LD 507 "Ought to Pass" to provide net energy billing customers of community solar projects, as well as prospective customers, more effective consumer protection.

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

Respectfully submitted,

Bang Holding

Barry J. Hobbins Public Advocate