10 July 2017

The 128th Legislature of the State of Maine
State House
Augusta, ME

Dear Honorable Members of the 128th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing LD 1504, “An Act to Modernize Rates for Small-scale Distributed Generation.”

This bill is poor policy and as I have noted many times, net energy billing subsidizes the cost of solar panels at the expense of the elderly and poor who can least afford it. We need to move away from this unsustainable practice. Even the Natural Resource Council of Maine has acknowledged that net energy billing “is not a preferred long-term policy.” However, rather than moving away from this practice to a more sustainable approach, LD 1504 instead sets net energy billing into statute in perpetuity.

In addition, the bill’s language will result in the nonsensical outcome of net energy billing customers having their electricity usage stepped-down over time, rather than just their generation. Therefore, likely due to last-minute drafting of overlapping amendments, LD 1504 will result in the electricity bills of net energy billing customers being reduced even if they generate no electricity at all.

This bill represents bad policy and contains serious drafting errors that will result in irrational outcomes. For these reasons, I return LD 1504 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,

Paul R. LePage
Governor