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Paul R. LePage
GOVERNOR

30 March 2018

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 1444, "An Act to Prohibit Gross Metering."

I have fought long and hard to reduce subsidies paid by ratepayers through utility rates, including those from Net Energy Billing (NEB) that subsidize energy installations of the affluent on the backs of hard-working Mainers who can least afford higher electricity bills.

The Public Utilities Commission (PUC) adopted a rule that will start reducing the NEB subsidies over time through a gradual step-down of the amount of generation allowed and used to offset a NEB customer's usage. While proponents of LD 1444 suggest it only prohibits the PUC's rule from requiring separate metering of the generation (gross metering), the bill does much more.

By defining "net energy" in a way that is inconsistent with the PUC's rule, the bill's language likely prohibits the rule's step-down of the subsidy. In addition, even if the language is interpreted to allow a step-down of the subsidy, it severely limits (or eliminates) the applicability of the step-down by allowing the reduction to apply only to the excess generation at the end of the month. Since many (or perhaps most) NEB systems are sized to be equal to, or less than, the customer's usage, there may be no excess at the end of the month. This would effectively undo the PUC's decision to reduce the subsidy over time.

The bill also increases the number of customers who can share a single NEB facility from the current level of 10 to 50. Such shared ownership arrangements allow NEB customers to use the utility's poles, wires, transformers, and other equipment to bring the NEB facility generation to them from anywhere in the service territory, but without paying for that use of the system. This is outrageous and I will not support a bill that further expands this practice.

As I have noted many times, NEB subsidizes the cost of solar panels for the rich at the expense of the elderly and poor who can least afford it. Making a bad situation worse is not the answer. For these reasons, I return LD 1444 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,


Paul R. LePage
Governor



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