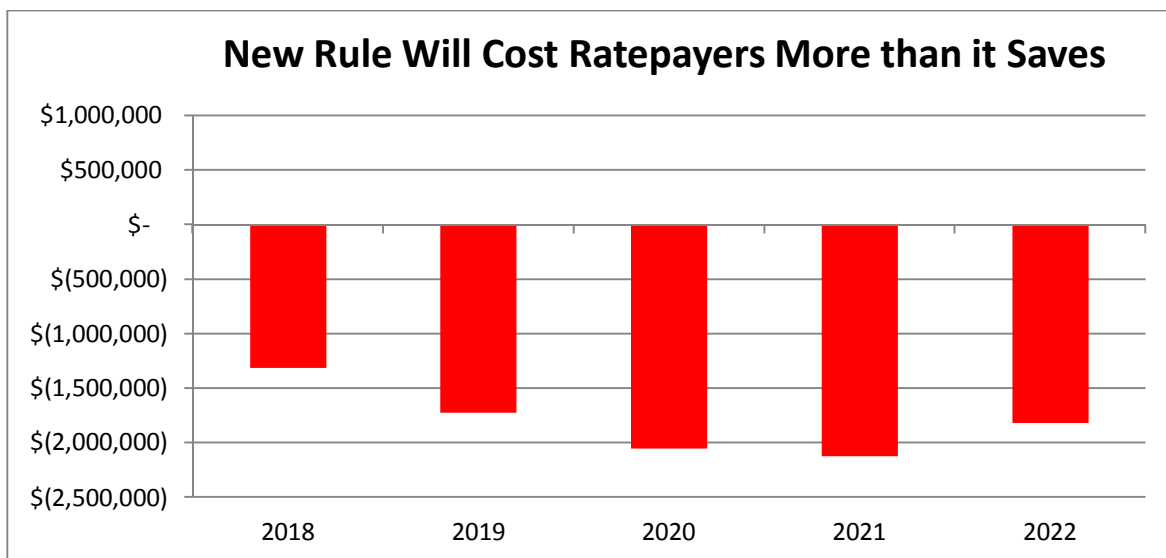


PUC's unprecedented net metering rule: so flawed it will increase rates

The new Public Utilities Commission (PUC) net metering rule will impose millions of dollars of unnecessary costs on all ratepayers, increasing rates. At the same time, the rule threatens solar industry jobs and puts an unprecedented new tax on power produced and *consumed* behind the meter. The legislature has one chance to stop this fatally flawed rule before it is too late.

\$4.5 million in extra ratepayer costs over the next five years

Ratepayers will pay unnecessary, extra costs to implement the new PUC rule. These costs would exceed any savings, by far. The *net* cost of the rule will exceed \$2 million within three years because the rule would require new billing systems and extra meters, and these fixed costs will be borne by all ratepayers, while creating additional profits for utilities.



The Public Advocate called the new rule “a dead end.”

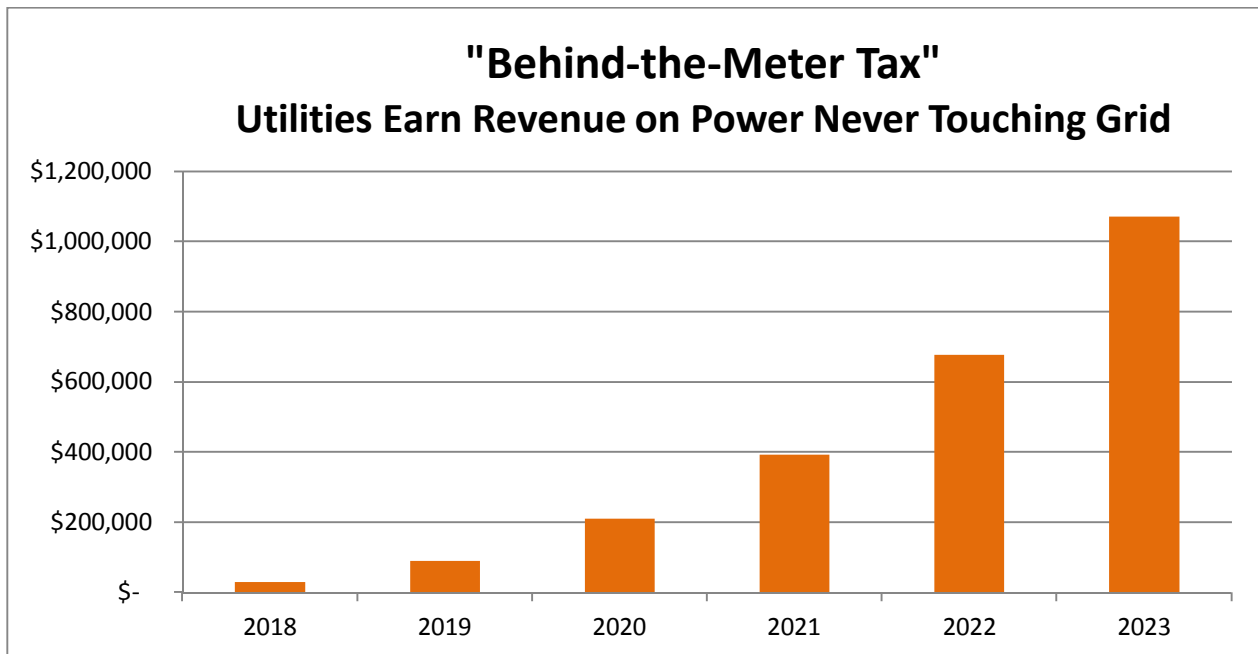
The rule is bad policy because it imposes millions in new costs without any clear benefit. The rule is not compatible with ongoing grid modernization efforts, and it inflicts upfront costs that can't be undone. The PUC failed to take advantage of massive costs ratepayers are already on the hook for:

- Central Maine Power (CMP) is *just completing* a **\$55 million ratepayer-funded billing system upgrade**—but the new rule is so unnecessarily complex, it will *add new costs* for that system.
- CMP has smart meters across Maine, installed at a **ratepayer cost of \$150 million**—but the PUC rule doesn't take *any advantage* of those meters. Instead it actually *requires a second meter* to be installed at every solar home or business, at ratepayer expense.

PUC rule imposes an unprecedented Behind-the-Meter tax

The complex new billing system and extra meters are required so that utilities can charge solar customers a transmission and distribution charge for solar power that is consumed right on the premises, without every touching the grid.

This tax on consumption of self-generated solar power is completely unprecedented anywhere.



In contrast, solar power lowers electricity rates

There is considerable evidence, including from the PUC's own study, that solar power *reduces* grid and power plant costs—and therefore rates—for all customers. Solar opponents, including the PUC, have done nothing to substantiate *their* claims that net metering increases rates overall. During its so-called "review," the PUC did nothing to attempt to measure the overall ratepayer impact of net metering, either as it has existed for decades or under the new rule.

The PUC's flawed and untested rule will burden ratepayers with costly expenses for items that will quickly become obsolete. The rule threatens jobs, will keep Maine in last place on solar, and puts increased earnings for utilities ahead of the public interest. **The new PUC rule will take effect at the end of 2017 unless the legislature acts now.**