



TO: The Committee on Energy Utilities and Technology
FROM: The Northeast Clean Energy Council
DATE: May 15, 2023

RE: Testimony regarding LD 1850, “An Act Relating to Energy Storage and the State's Energy Goals”

Dear Chairs Lawrence, Zeigler and Committee Members,

On behalf of the Northeast Clean Energy Council (“NECEC” or “The Council”), thank you for the opportunity to submit these comments in support of LD 1850, presented by Senate Majority Leader Vitelli, Senate President Jackson, Representative Zeigler and colleagues as listed.

The Council leads the just, equitable, and rapid transition to a clean energy future and a diverse climate economy. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and “smart” technologies.

The Council is dedicated to growing the clean energy economy in Maine and across the region, in pursuit of our mission to create a world-class and equitable clean energy hub in the Northeast. The Council’s 250+ members include companies based in Maine and those from elsewhere who do business in Maine or hope to make future investments in the state.

We thank the Committee and the co-sponsors in particular for your continued leadership on clean energy and climate change policy. Your efforts, and your collaboration with the Governor’s Energy Office, have been critical to putting Maine on a path to grow our region’s clean energy economy, meet our climate commitments and deliver for our most vulnerable communities. As you know, the growth of energy storage is essential to this work.

The Council writes generally in favor of LD 1850, and applauds leadership's acknowledgement of the importance of energy storage in meeting Maine’s clean energy and climate goals. The targets of deploying 300 MW of storage capacity by 2025 and 400 MW by 2030 are ambitious but attainable, and put Maine at the forefront of states in the nation in terms of storage when evaluating the size of the energy market.

While the state has deployed approximately 63 MW of storage as of today, having the vision to grow that number by sixfold in less than a decade is laudable. The Committee is wise to acknowledge the need for frequent review of targets and study whether increasing them is warranted.

Having a storage procurement process as laid forth in section 3 of the bill would create a tool to ensure predictable long-term revenue, making projects financially viable. Such a market-based process that includes a diverse set of assets will lead to cost-effective projects being developed, benefiting ratepayers in the process.

Regarding section 6 directing the Public Utilities Commission to review the conditions under which an investor-owned utility could own energy storage resources, we would encourage regulators to carefully consider whether such a change is necessary, and what the implications would be for ratepayers as well as for the development of the independent storage market.

Storage is essential to building a more resilient and reliable electric grid, and to the growth of our region's clean energy future when paired with solar and wind generation, in particular. Through real-time controls, storage can flex between being a generation asset and taking up excess power to deploy when it is most needed.

On behalf of the Council and our members, thank you for your consideration. We are available to answer any questions you may have about these comments or related issues.

Sincerely,



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