



**Testimony in Opposition to
LD 204, An Act to Reduce the Cost of Electricity by Removing the 100-megawatt Limit on
Renewable Resources of Energy;
LD 371, An Act to Expand Hydroelectric Development by Removing the 100-megawatt
Cap; and
LD 638, An Act to Create Equal Opportunity Access to Clean Energy by
Removing the 100-megawatt Limit on Clean Energy Sources**

**To the Committee on Energy, Utilities and Technology
by Jack Shapiro, Climate and Clean Energy Program Director
March 20, 2025**

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM is a nonpartisan membership organization that has been working for more than 65 years to protect, restore, and conserve Maine's environment, now and for future generations. On behalf of our nearly 24,000 members and supporters, NRCM testifies in opposition to LD 204, An Act to Reduce the Cost of Electricity by Removing the 100-megawatt Limit on Renewable Resources of Energy, LD 371, An Act to Expand Hydroelectric Development by Removing the 100-megawatt Cap, and LD 638, An Act to Create Equal Opportunity Access to Clean Energy by Removing the 100-megawatt Limit on Clean Energy Sources.

NRCM is a longstanding supporter of Maine's Renewable Portfolio Standard (RPS), and we have testified in opposition to similar legislation aiming to eliminate the 100-MW cap many times in the past. Today we oppose lifting the 100-MW limit for similar reasons:

- It would provide no significant benefits to ratepayers;
- It would not increase production of renewable energy; and
- It would undermine the progress we've made so far growing Maine's clean energy economy.

The purpose of Maine's RPS is to stimulate new investments in renewable energy and diversify Maine's electricity generation portfolio away from a reliance on expensive fossil fuels, the primary driver of high electricity costs in Maine. Lifting the 100-MW cap would directly undermine these purposes.

The primary effect of this change would be to allow large hydroelectric in Canada to qualify for Maine's RPS. Throwing open the doors of RPS eligibility would cause financial benefits to flow north of the border to Hydro-Québec, a large, government-backed foreign utility that owns a network of massive hydropower projects. Hydro-Québec has not and will not provide below-market power to Maine. Hydro-Québec does not need to receive benefits from Maine ratepayers, and Maine's economy would not benefit from providing them.

Lifting the cap would undermine Maine's clean energy economy

These bills would shift financial support for renewables to Canada and correspondingly reduce those incentives for Maine-based energy producers. Maine's RPS is an economic engine for the state. As of 2023, Maine's RPS has generated roughly a billion dollars of investment in Maine, 1,000 new clean energy jobs, and \$21.5 million per year in savings for Maine households and businesses.¹ The RPS is part of Maine's growing clean energy economy, which contributed nearly \$3 billion to the economy in 2023, and now employs 15,600 Maine people across the state.² Opening up the RPS to Canadian hydroelectricity would flood the market with renewable energy credits (RECs) from out of state, reducing the value of the program for job creation and economic development within Maine.

Lifting the cap will not improve reliability

Lifting the cap would do nothing to improve reliability, because Canada is now facing electricity supply constraints as we detail below. For example, over the 2022 Christmas holiday, the New England grid faced an emergency power shortfall due in part to the fact that Hydro-Québec cut electricity destined for the U.S. because of extreme cold and storm outages on the Canadian side of the border.³ Increasing our reliance on Canadian hydro imports would only increase this vulnerability.

Canadian hydropower is no longer abundant and available

Perhaps most importantly, these bills are based on the premise that there is abundant, cheap hydropower in Canada available for import, which is no longer the case. We urge the Committee to recognize that the era of surplus Canadian hydropower is over, and that Hydro-Québec does not have surpluses of energy to deliver to New England. Over the past two years, this has become increasingly clear, as these quotes illustrate:

- From the Financial Post, a Canadian business news outlet: "Experts doubt [Hydro-Québec] can meet demand at home and abroad without serious compromises."³

¹ Governor's Energy Office. *An Assessment of Maine's Renewable Portfolio Standard*. March 31, 2024. <https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Maine-RPS-Impacts-and-Procurement-Policy-Options-Report-Master-FINAL.pdf>

² Governor's Energy Office. 2024 Maine Clean Energy Industry Report. March 2025. <https://www.maine.gov/energy/sites/maine.gov.energy/files/2025-03/Maine%202024%20Baseline%20CEIR.pdf>

³ SustainableBiz Canada. *Quebec's hydro power surplus a thing of the past*. June 13, 2024. <https://sustainablebiz.ca/quebecs-hydro-power-surplus-a-thing-of-the-past>

- From the Montreal Economic Institute, a conservative Canadian think tank: “Hydro-Québec will have exhausted its surpluses in both energy and capacity by 2027.”⁴
- From the President and CEO of the New England Independent System Operator (ISO-NE), the regional grid operator: “If you look to our North, Québec has become energy constrained.... They don’t have a lot of surplus that they can send in our direction.”⁵
- From the Boston Globe: “[E]lectricity imports into New England from Hydro-Québec [have] declined precipitously in 2024 because of drought conditions there and increased demand in the province. That decline should be a warning for policymakers in the region who hoped to turn to more hydroelectricity in Canada.”⁶
- And again, from Hydro-Québec themselves, on a page on hydroquebec.com entitled “Are we running out of electricity in Québec?”: “Our energy surpluses have been used up.”⁸

Conclusion

Removing the 100-MW limit on RPS eligibility would undermine the purpose of Maine’s RPS to support in-state renewable energy development and strengthen our power supply through diversification. Further, it is based on an outdated assumption that significantly increasing Canadian hydroelectricity imports is a viable option for meeting Maine’s energy needs, versus investing in the development of renewables in Maine and offshore.

We strongly urge the Committee to vote Ought Not To Pass on this bill as the Committee has done in the past.

Thank you.

⁴ Montreal Economic Institute. “Quebec government unprepared for end of electricity surplus.” May 11, 2023. <https://www.newswire.ca/news-releases/quebec-government-unprepared-for-end-of-electricity-surplus-says-mei-839394678.html>

⁵ Commonwealth Beacon. “Decarbonizing New England’s power grid.” May 28, 2024. <https://soundcloud.com/massinc/decarbonizing-new-englands-power-grid>

⁷ Boston Globe. *Hydro-Quebec cut off electricity exports on main power line into New England. What happened?* March 11, 2025. <https://www.bostonglobe.com/2025/03/14/business/hydro-quebec-export-electricity-new-england/>

⁸ Hydro Quebec. “Are we running out of electricity in Québec?” Accessed February 27, 2025. <https://www.hydroquebec.com/residential/energy-wise/are-we-running-out-electricity.html>