



Testimony Neither for Nor Against LD 1868
An Act to Advance a Clean Energy Economy by Updating
Renewable and Clean Resource Procurement Laws
May 6, 2025

Senator Lawrence, Representative Sachs, and members of the committee, my name is James Cote and I am here on behalf of Versant Power to provide testimony neither for nor against LD 1868.

LD 1868 proposes to do the following:

1. Direct the Governor's Energy Office to conduct one or more competitive solicitations every two years to procure energy or associated environmental attributes or a combination of both from renewable and clean resources through long-term contracts if the office determines that a procurement is necessary to achieve the emissions reduction and renewable and clean energy goals of the State and to meet reasonably expected growth in electricity demand.
2. Amend the state's goals for consumption of electricity from renewable resources so that by January 2040 90% of retail sales will come from renewable resources and 10% will come from clean resources.
3. Provide the Public Utilities Commission with additional authority to coordinate procurement strategies with other states.
4. Direct the Public Utilities Commission to initiate a competitive solicitation for energy or renewable energy credits from Class 1A resources for the purpose of improving the long-term viability of an existing facility.
5. Establish a regular schedule of competitive procurements for renewable and clean energy resources.

Versant Power understands that more work must be done in order to accomplish Maine's renewable and climate goals. We support strategies that do so most cost-effectively (and with the minimum risk) for Maine ratepayers and recognize that the changes proposed in LD 1868 may provide the State with more options to meet these goals.

As with the other recently proposed and enacted state procurements for energy resources, Versant Power believes Maine's T&D utilities, which are asked to serve as the contractual counterparties on behalf of our customers, have a limited but important role to play.



First, in such cases, we believe it is critical to ensure that such contracts do not contain provisions that would unreasonably shift costs or risks onto ratepayers.

Second, we do not believe it is appropriate for the T&D utilities, which have not engaged in energy marketing activities since deregulation, to negotiate the pricing of such contracts. This is better left to the procurement authority conducting the solicitation with the assistance of expert consultants as necessary.

Finally, to the extent non-energy or energy-related attributes are part of a procurement (e.g. should labor requirements or other public policy goals be included) that such provisions are more appropriately managed outside the bounds of an energy contract (e.g. via one or more agreement(s) that include a division of state government and the winning bidder, and, potentially, other relevant entities).

We understand that the Governor's Energy Office will propose to eliminate Sec. 3, 10- *Governor's Energy Office special assessment*, which we are appreciative of.

Thank you for your consideration and we would be pleased to answer questions or provide more information for the work session.