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Testimony of Ashley Luszczki Before the Joint Standing Committees on Energy, Utilities and Technology In Support of L.D. 597, An Act to Direct the Public Utilities Commission to Conduct Procurements for Energy or Renewable Energy Credits May 21, 2025

Senator Lawrence, Representative Sachs, and members of Joint Standing Committee on Energy, Utilities and Technology, my name is Ashley Luszczki. I am here on behalf of the Maine State Chamber of Commerce, representing a network of more than 5,000 businesses. Thank you for the opportunity to provide testimony in support of L.D. 597, An Act to Direct the Public Utilities Commission to Conduct Procurements for Energy or Renewable Energy Credits.

PL 2023 c. 321 made PFAS-contaminated farmland eligible for renewable energy development. The intent was a win-win as it aimed to accelerate renewable energy development by bringing economic value back to lands that have otherwise been sidelined due to PFAS contamination. Despite strong interest in the initial procurement issued by the Public Utilities Commission (Commission) in August 2024, no projects were awarded due to concerns around ratepayer benefits and other statutory requirements, including having an interconnection agreement or a System Impact Study conducted by ISO New England. L.D. 597, as amended, is intended to address that outcome by reflecting on lessons learned and enhances the likelihood of success in future procurement rounds – this is the root of the Chamber's support.

Specifically, this legislation will help to enable successful competitive procurements, it clarifies types of awards and defines what constitutes a "ratepayer benefit". The Chamber believes that renewable procurements should be competitively issued, and we respect the Legislature's efforts to find economically productive uses of PFAS contaminated land.

Recognizing potential differences in interpretation highlighted by the Commission, Section 2, 2(A) clarifies that awards can be made for energy or renewable energy credits. We believe this clarification in statute would provide more flexibility and may assist in meeting cost-effective standards.

In Section 3, L.D. 597 attempts to respond to the Commission's call for a clearer definition of "ratepayer benefit." It establishes a 6.5-cent per kilowatt-hour cap that can be adjusted for inflation. Furthermore, it requires contracts to include provisions that reduce payments during negative price intervals. The Chamber does not support codifying specific pricing levels into statute. While we appreciate the importance of establishing guardrails to ensure ratepayer benefit, we would encourage a more flexible approach, including a requirement that at least one project be selected during the solicitation at the least cost of the proposed projects

The solicitation also requires statutory timelines that are aggressive – requiring the Commission, under Section 6, to initiate a competitive solicitation by December 31, 2025. While we appreciate the urgency of the legislation following an unsuccessful procurement, we would encourage the Committee to work with the Commission to establish expeditious, but realistic timelines.

One key provision requires the Commission to conduct competitive solicitations every 12 months until the full target amount of energy and renewable energy credits has been procured. This regularity is essential to supporting a stable investment environment. Predictable, recurring procurements give developers confidence to invest in land acquisition, permitting, interconnection studies, and workforce development — activities that take time and capital. When businesses know opportunities are coming on a regular basis, they can plan accordingly and deliver more competitive projects.

The Chamber believes this legislation can bring economic value back to contaminated lands and help Maine lead the way in responsibly repurposing them while also accelerating renewable energy development. For these reasons, we urge you to support L.D. 597 and we encourage you to include these recommendations.