



Committee on Energy, Utilities and Technology
% Legislative Information Office
100 State House Station
Augusta, ME 04333

January 22, 2026

Re: Public Hearing, LD 2038, An Act to Require Maine Transmission and Distribution Utility Participation in a Regional Transmission Organization

Dear Senator Lawrence, Representative Sachs and Members of the Committee:

Thank you for the opportunity to share testimony in support of LD 2038, *An Act to Require Maine Transmission and Distribution Utility Participation in a Regional Transmission Organization*, on behalf of the Maine Renewable Energy Association (“MREA”).¹ MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, and biomass energy generators and developers of such projects, as well as companies that provide services to those producers, such as environmental engineers, electricians, and general contractors.

LD 2038 makes it mandatory for transmission and distribution utilities (utilities) to participate in a regional transmission organization (RTO), such as ISO New England. The bill excepts consumer-owned utilities and utilities administered by the Northern Maine Independent System Administrator (NMISA) from this requirement. MREA supports the bill because *not* requiring RTO participation is a relic of the past and because it offers a practical opportunity to reduce electricity rates.

Maine electric utilities are incentivized to participate in an RTO through the allowance of a bonus return on equity on their transmission assets, which increases (albeit marginally) electricity rates paid by Maine electricity ratepayers. However, utilities are further incentivized to take part in an RTO (in Maine’s case, ISO New England) because of their critical coordination role. Said most plainly, in their own words, ISO New England is like the “air traffic controller” for the region’s power grid - monitoring, dispatching, and directing the flow of electricity across the power grid at all times. ISO New England works cooperatively with utilities to forecast New England’s electricity use, dispatch the power system, maintain operating reserves, and

¹ MREA supports the Sponsor’s Amendment to LD 2112 distributed to Interested Parties on January 14, 2026.

coordinate during transmission and generation outages, among many other important functions. In other words, Maine utilities rely significantly on ISO New England to perform their critical functions and as such, do not need further incentive.

For these reasons and more, MREA supports LD 2038. Thank you for your consideration of our testimony.

Sincerely,

A handwritten signature in black ink that reads "Eliza Donoghue". The signature is fluid and cursive, with "Eliza" on the top line and "Donoghue" on the bottom line.

Eliza Donoghue, Esq.
Executive Director