

Testimony in Support of LD 897, An Act Regarding the Calculation of Electric Rate Contracting Costs

**To the Joint Committee on the Energy, Utilities and Technology
by Rebecca Schultz, Senior Climate and Clean Energy Advocate
March 4, 2026**

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Rebecca Schultz, and I am the Senior Climate and Clean Energy Advocate 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 20,000 members and supporters, NRCM testifies in support of the provisions of LD 897 related to Maine's nonwires alternatives (NWA) process, with a suggested additional amendment.

Maine's NWA review has the potential to play a vital role in Maine's transition to a participatory and affordable clean energy grid. Competitive vetting of the capital build-out proposed by the utilities is one of the most important ways to control costs and provide a check against the financial interests of our investor-owned utilities (IOUs) as we face the need to significantly expand transmission and distribution system capacity, while making necessary reliability upgrades, over the next 25 years.

In fact, despite the fact that no full NWA projects have been implemented, the vetting provided by the nonwires alternatives coordinator (NWAC) has provided **\$17.4-21.9 million in total savings** to date as of the fourth quarter of 2025.¹

NRCM supports the proposed amendments suggested in the Maine Public Utilities Commission's (PUC's) February 27, 2026 report.² We also suggest an additional amendment to clarify the statute as to the "role of the NWAC" to ensure that the NWAC can incorporate new technologies and innovations in its reviews and avoid utility opposition in the event that alternative solutions to save ratepayers money happen to include traditional wire components.

The justification for this amendment is outlined in further detail in this excerpt from NRCM's December 19 comments to the NOI in docket number 2025-00307:

¹ MAINE NON-WIRES ALTERNATIVE COORDINATOR, on behalf of the Maine Office of the Public Advocate, "Public: Quarterly Report on Non-Wires Alternative Projects Q4 2025," Feb 6, 2026, available in MPUC COMMISSION INITIATED INQUIRY OF NONWIRES ALTERNATIVES INFORMATION REPOSITORY, Docket No. 2024-00321, item # 17, p 4.

² <https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/NWA%20Report-Final.pdf>

“To achieve the purpose of ratepayer savings through cost-effective investment, the options at the disposal of the NWAC in reviewing alternatives to what the utility has proposed should not be unnecessarily or arbitrarily limited. The statutory definition of a nonwires alternative, as it currently exists, would seemingly be sufficient to afford the technical consultant consideration of a full range of technologies, configurations, operational characteristics, and combinations therein. Under Title 35-A §3131 (4-C), the definition is as follows:

“‘Nonwires alternative’ means an infrastructure, technology or application that either individually or collectively defers or reduces the need for capital investment in the transmission or distribution system and addresses system reliability needs proposed to be met by the transmission or distribution system investment. ‘Nonwires alternative’ includes but is not limited to energy efficiency and conservation measures, energy storage, load management, demand response and distributed generation.”

In practice, however, utilities have apparently raised opposition to the scope of the NWAC. In its NOI, the Commission noted on page 6 that in both the Section 80 and Section 31 cases, “questions arose about whether the NWAs proposed were what the Legislature intended as NWAs to consist of (e.g. the major components of the NWA in the Section 31 case were largely traditional wires solutions).” A “nonwire alternative” need not literally exclude any and all wires. If the NWAC finds a solution that is able address the identified need more cost-effectively than the utility’s proposal, that solution should be advanced on behalf of ratepayer savings regardless of whether it includes a wire or not. The “alternative” is an alternative to the utility’s proposal in recognition of its incentivized bias toward capital-intensive conventional utility infrastructure; it is not an alternative to the wires themselves or any other arbitrary class of engineering or infrastructure technology. Maine has contracted the NWAC as a technical consultant in service of ratepayers to counterbalance the capital bias and should be fully empowered it to find cost- saving alternatives to the utilities’ proposals.

Furthermore, the digital and electrification spaces are rapidly evolving. The NWAC should be empowered to help Maine take advantage of new emerging opportunities, be those opportunities pertaining to specific technologies, applications, best practices and/or combinations therein at the frontiers of grid innovation on behalf of saving Maine ratepayers money. For example, alternatives considered should include Grid-Enhancing Technologies (GETs), consistent with the statutory periodic review of GETs under Title 35-A §3148, which defines a GET as “any hardware or software technology that enables enhanced or more efficient flow of electricity across the existing electric transmission and distribution system.” Although the current definition and purpose of the program appear

to be sufficiently broad at face value, **we advise modifying the statute to make it abundantly clear so as to avoid continued opposition and ensure the NWAC is not prevented from incorporating new technologies or other innovations in its reviews.**”

In agreement with the Office of the Public Advocate and Efficiency Maine Trust, whose positions are presented in the February 27, 2026 report (page 5), we suggest changing the name of the NWA investigation to “independent infrastructure investment review.” This is a more accurate description of the investigation process and will help clarify that the analysis is an opportunity for an objective review of major infrastructure investments, including both wire and nonwire configurations, to identify cost-effective options to save ratepayers money.

Suggested amendment language:

Sec. 4 **35-A MRSA §1701. Appointment and staff**

2-A. Nonwires alternative policy; coordinator; services. The Public Advocate shall contract with a person or entity, referred to in this subsection as "the nonwires alternative coordinator," to provide services in accordance with this subsection. As used in this subsection, "nonwires alternative" has the same meaning as in section 3131, subsection 4-C. The nonwires alternative coordinator shall:

A. Review small transmission project and distribution project planning studies in accordance with section 3132-B; [PL 2019, c. 298, §3 (NEW).]

B. Investigate and make recommendations regarding nonwires alternatives to proposed capital investments in the transmission and distribution system pursuant to sections 3132, 3132-A and 3132-B and in accordance with section 3132-C;

C. Conduct benefit-cost analyses to evaluate the cost-effectiveness of nonwires alternatives and make recommendations regarding nonwires alternatives and procurement of recommended nonwires alternatives in accordance with sections 3132-C and 3132-D; **and**

D. Track the implementation of nonwires alternative projects in the State and issue quarterly reports on the projects' progress, including project budgets, timelines, in-service dates, costs incurred, operational savings and other benefits; **and ;**

E. For the purposes of this subsection, reviews, recommendations, and analyses regarding nonwires alternatives can include any infrastructure, technology or application that either individually or collectively defers or reduces the need for capital investment in the transmission or distribution system and addresses system reliability needs proposed to be met by the transmission or distribution system investment, regardless of whether or not they include or do not include wires.

The nonwires alternative coordinator shall collaborate with the Efficiency Maine Trust, transmission and distribution utilities and interested parties in performing the services required by this subsection.

The Public Advocate shall include in its annual report required under section 1702, subsection 6 information regarding the services provided by the nonwires alternative coordinator.

35-A MRSA §3132-C. Nonwires alternatives investigation and recommendations

1. Independent infrastructure investment review ~~Investigation~~ required. The nonwires alternative coordinator shall conduct an independent infrastructure investment investigation of and make recommendations regarding nonwires alternatives to a wires project under section

3132, 3132-A or 3132-B in accordance with this section. The investigation must be conducted in coordination with the Efficiency Maine Trust. For the purposes of this section, "wires project" means a transmission line and associated infrastructure subject to the requirements of section 3132, a transmission project or subtransmission project as defined in section 3132-A or a small transmission project or distribution project covered by section 3132-B.
[PL 2023, c. 355, §11 (AMD).]

35-A MRSA §3131. Definitions

4-C. Nonwires alternative. "Nonwires alternative" means an infrastructure, technology or application that either individually or collectively defers or reduces the need for capital investment in the transmission or distribution system and addresses system reliability needs proposed to be met by the transmission or distribution system investment. "Nonwires alternative" includes but is not limited to energy efficiency and conservation measures, energy storage, load management, demand response and distributed generation, and may include both wire and non-wire configurations.

We encourage the Committee to incorporate this additional amendment, and vote Ought to Pass as amended on LD 897.

Thank you for your consideration.