

March 8th, 2023

Hon. Senator Mark Lawrence, Senate Chair
Hon. Representative Paige Zeigler, House Chair
Joint Standing Committee on Energy, Utilities, and Technology
100 State House Station
Augusta, Maine 04333

RE: MSCC Testimony in Support of the proposed amendment to L.D. 698: An Act Directing the Public Utilities Commission to Study the State Natural Gas Supply Pursuant to the Maine Energy Cost Reduction Act

Dear Senator Lawrence, Representative Zeigler, and members of the Energy, Utilities, and Technology Committee:

My name is Ben Lucas, I live in Portland, and I represent the Maine State Chamber of Commerce, a statewide business organization consisting of a network of more than 5,000 small and large employers across Maine. The Maine State Chamber of Commerce is submitting testimony in support of L.D. 698 and we appreciate the sponsor, Representative Foster for bringing this legislation forward.

Over the summer months, we conducted our annual, "Making Maine Work Report" which is a survey we put out to our members every four years to learn about what issues are most important to the business community. In the 2022 survey, energy was the second most important issue right behind workforce. This was the highest that energy had ranked on the survey since we started conducting the survey in 2010. Right now, the business community in Maine is dealing with unsustainable costs increases. One of the solutions to help alleviate the costs of energy which is hurting our business community is to increase the amount of natural gas on the New England grid. This is an effective and sensible solution. For years, this has long been a problem in Maine. We have not been able to expand natural gas capacity. We have serious problems about having natural gas constraints that drive electricity prices.

L.D. 698 would help make improvements. This legislation would establish state policy to encourage financially and technically qualified entities to build or expand natural gas infrastructure in Maine and to charge the PUC (and other state agencies) to engage with other New England states to investigate establishment of a regional natural gas infrastructure solution to be controlled by participating states. And it would be done in a responsible way by requiring reports to the Legislature.

Additionally, L.D. 698 would serve as benefit as we continue this transition to more renewable sources. The Chamber is committed to renewable goals put forward by the state. However, we recognize that this is going to take some time, and this could serve as a reasonable stop gap to help the costs of energy. Also, right now if we need additional capacity on the electric grid, we must get New England's oil-fired power plants running. That results in economic costs and the associated emissions would be much greater than if more natural gas were available. Having more natural gas will help add to the base load of energy in Maine/New England.

For these reasons, we support L.D. 698 and would encourage the committee to vote, "Ought to Pass". I am happy to answer any questions and I will be available for the work session.

Sincerely,
Benjamin R. Lucas
Senior Government Relations Specialist
Maine State Chamber of Commerce
Email: blucas@mainechamber.org