



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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Testimony of the Maine Public Utilities Commission

Neither for Nor Against

LD 952, Resolve to Create a 21st Century Electric Grid

April 13, 2023

Senator Lawrence, Representative Zeigler, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying neither for nor against the sponsor's amendment to LD 952, Resolve to Create a 21st Century Electric Grid on behalf of the Public Utilities Commission (Commission).

The sponsor's amendment to LD 952 directs the Governor's Energy Office (GEO) to hire a consultant to create a proposal for the design of a distribution system operator (DSO) for the State. The Resolve contains specific elements on the design of the DSO and additional design elements that may be considered. It also directs the GEO, once it receives the proposed design, to analyze the proposal to determine whether the GEO would recommend the establishment of a DSO and contains further directives for the GEO if the office recommends a DSO.

As the State moves towards beneficial electrification and increased renewable energy and storage deployment, we will need to think differently about how our distribution grid is managed. As drafted, the Resolve is prescriptive and only considers one option. It may be more helpful to look broadly at the issues raised in the bill and consider how best to address them.

As you consider this legislation, we offer a few specific concerns. First, the breadth of the design of a potential DSO encompasses subject matter under the jurisdiction of many agencies. While the State of Maine could reassign responsibilities to the DSO that are currently assigned to state agencies, the same cannot be said of subject matter falling within the jurisdictions of the Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC), and/or ISO-New England.

Second, the technical expertise required to implement unified grid operation and market administration within the State of Maine could be very expensive and duplicative of existing resources already in place and paid for by Maine ratepayers. It would be important to limit the scope to avoid duplicating efforts we pay for through, for example, ISO-New England.

Third, some of the goals of a DSO are currently being addressed in other forums. For example, "integration issues related to distributed energy resources, energy storage and electric vehicles, demand-side management and advanced price signals" are all being discussed, modeled, and integrated into tariff designs through the ISO-New England stakeholder process. The Commission has devoted

resources to cover these meetings and engage in that process. Similarly, clean technology roadmaps have been extensively modeled within the region and form the basis for current and ongoing solution development for state policy driven grid modernization.

I would be happy to answer any questions or provide additional information for the work session.