Testimony of Industrial Energy Consumer Group

in Opposition to

LD 1830, An Act to Advance Maine's Clean Energy Goals

Before the Joint Standing Committee on Energy, Utilities and Technology

May 9, 2023

Senator Lawrence, Representative Ziegler and Members of the Joint Standing Committee on Energy, Utilities and Technology:

IECG today testifies in opposition to this increased competitive renewable energy procurement. As Maine electricity ratepayers face a virtual tsunami of increased and increasing energy costs, IECG respectfully suggests it is time for Maine to take a breath on new electricity procurements, determine exactly where we are and carefully evaluate what Maine actually needs. This proposal, though well intentioned, is neither timely nor necessary.

IECG notes data from DEP that only 7% of Maine's CO2 comes from the electricity sector. We believe that is due to constrained pipeline capacity driving the burning of oil in cold weather. But the overall point is that Maine has substantially more renewable energy generation that it has peak and average demand for power. While the metrics can be debated - the RPS, renewable energy credits, generation technology and so on – IECG urges that an accounting be carefully done so Maine buys only what it needs. For example, if we add 1000 – 1500 Mw of Net Energy Billing and 600 – 800 Mw from Northern Maine, those amounts alone will virtually equal Maine's peak load, and will equal its load on typical days.

The question should be: why do we need another 1000 Mw of solar? Maine does not, and excessive solar is not a prudent investment.

Electric rates are at historic highs and electric load is flat. Maine has recently seen the Pixelle Paper Mill in Jay close permanently, and the Old Town Mill be "suspended", both in part due to energy costs. Although IECG expects competitive renewables to be less expensive than ISO-NE market clearing prices in winter, that doesn't make more solar a smart strategy. Maine has reached the point of

diminishing return on solar because by 2025 Maine will have far more solar than it can use on our sunniest peak day. Careful analysis will confirm this.

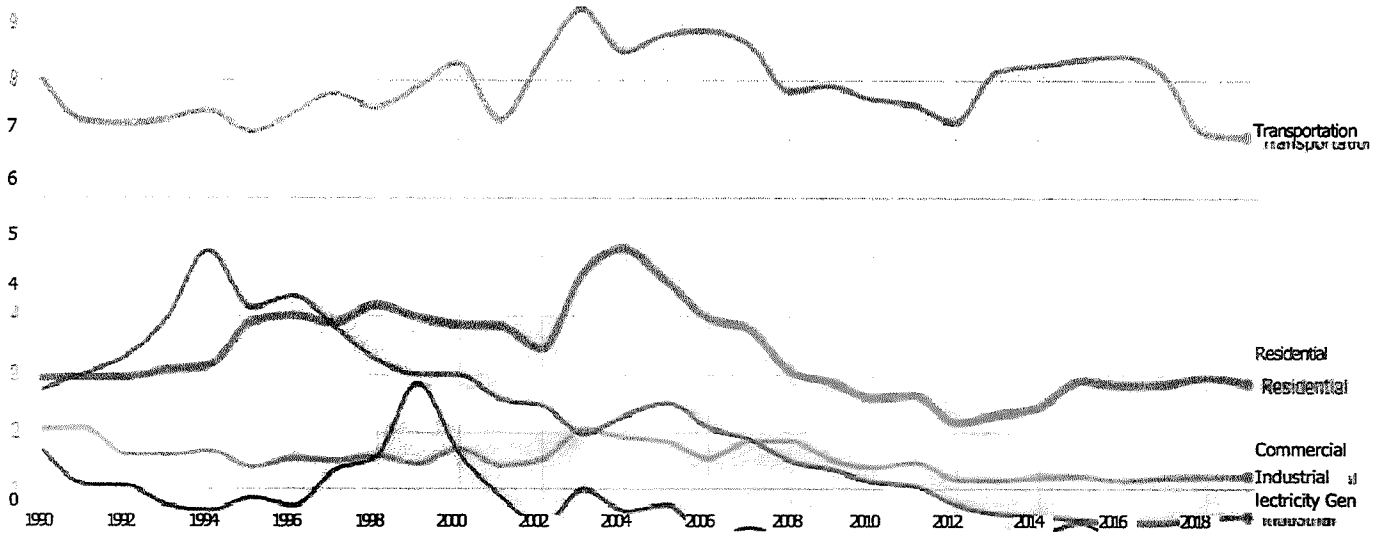
Our priority should be wind, especially wind that generates on winter nights. However, we should consider what we will need after we receive 1000-1200 Mw from Northern Maine, as that is exceptionally valuable wind. Offshore wind will come on like in the 2030's, providing even greater winter value. There is good reason to doubt the value of another procurement like this one that, like the precious two, will primarily be filled by solar.

Further, while IECG does not oppose GEO involvement in future RPS and related renewable policy, we also recognize that GEO is funded from the General Fund, and thus politically vulnerable to a greater extent than is the Commission.

We would be pleased to answer questions.

Chart – 1

How much carbon does each part of Maine's economy emit?



These trends mirror petroleum use by each sector — including gas for vehicles, oil for power and heat, etc.

Measured in millions of metric tons of carbon dioxide.

Chart 2 - Maine Greenhouse Gas Emissions by Sector, 2017

Data source: Maine Department of Environmental Protection 8th Biennial Greenhouse Gas Emissions Report

Maine Greenhouse Gas (GHG) Emissions by Sector