Clayton McKay

Chair Lawrence, Chair Sachs and Esteemed Members of the EUT Committee

I am here to adamantly oppose this bill, LD 585, An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Energy Costs

So, what is Beneficial Electrification? Is it like heat pumps, heat pump water heaters and electric vehicles? Wouldn't these devices increase demand on the grid. And wouldn't this increased demand require more generation capacity? And wouldn't ISO-NE, the Regional Transmission Organization have to increase the Forward Capacity Obligations? And wouldn't this increase the Forward Capacity costs, which are paid by end-users? Let me explain the scam here.

Efficiency Maine Trust receives money from ratepayers which funds an account named "Electric Efficiency Procurement", millions of dollars! They also receive monies from the Regional Greenhouse Gas Initiative, again, millions of dollars,which is a carbon tax on natural gas plants and currently adds ten dollars a megawatt hour to the alleged, excessively expensive natural gas plant production cost. Would not it be possible or even a rational business decision to bake this 10 dollars a megawatt hour into the wholesale price and would not it be possible that this cost ends up going to the end users? But, the wicked natural gas plants that set the wholesale price most of the time, even with this 10 dollar a megawatt tax, set an average wholesale price in the range of 4.80 cents per kilowatt hour and 5.29 cents per kilowatt hour in 2023.

EMT receives ratepayer money to save their clients money with efficiency incentives and then EMT will leverage the saved kilowatt hours from efficiency by entering them into the ISO-NE demand response program. This program is derived from the Forward Capacity Market which I explained earlier is funded by end users. Yet, it is the same end users who have funded EMT so that they can transform this money into more money for the Trust. If that isn't complete neglect towards the overburdened ratepayers, then I don't know what is. I rest my case!

TABLES and CHARTS

Forward Capacity Auctions FCA 11 to FCA 18 & EMT Revenue From ISO-NE Markets, **Results of the Annual Forward Capacity Auctions**

Figure 1 : "Summary of the Trust's FCA Actions" from EMT "FY 2024 Report" Page 69

" Heating Fuel Prices per Million Btu" GEO website

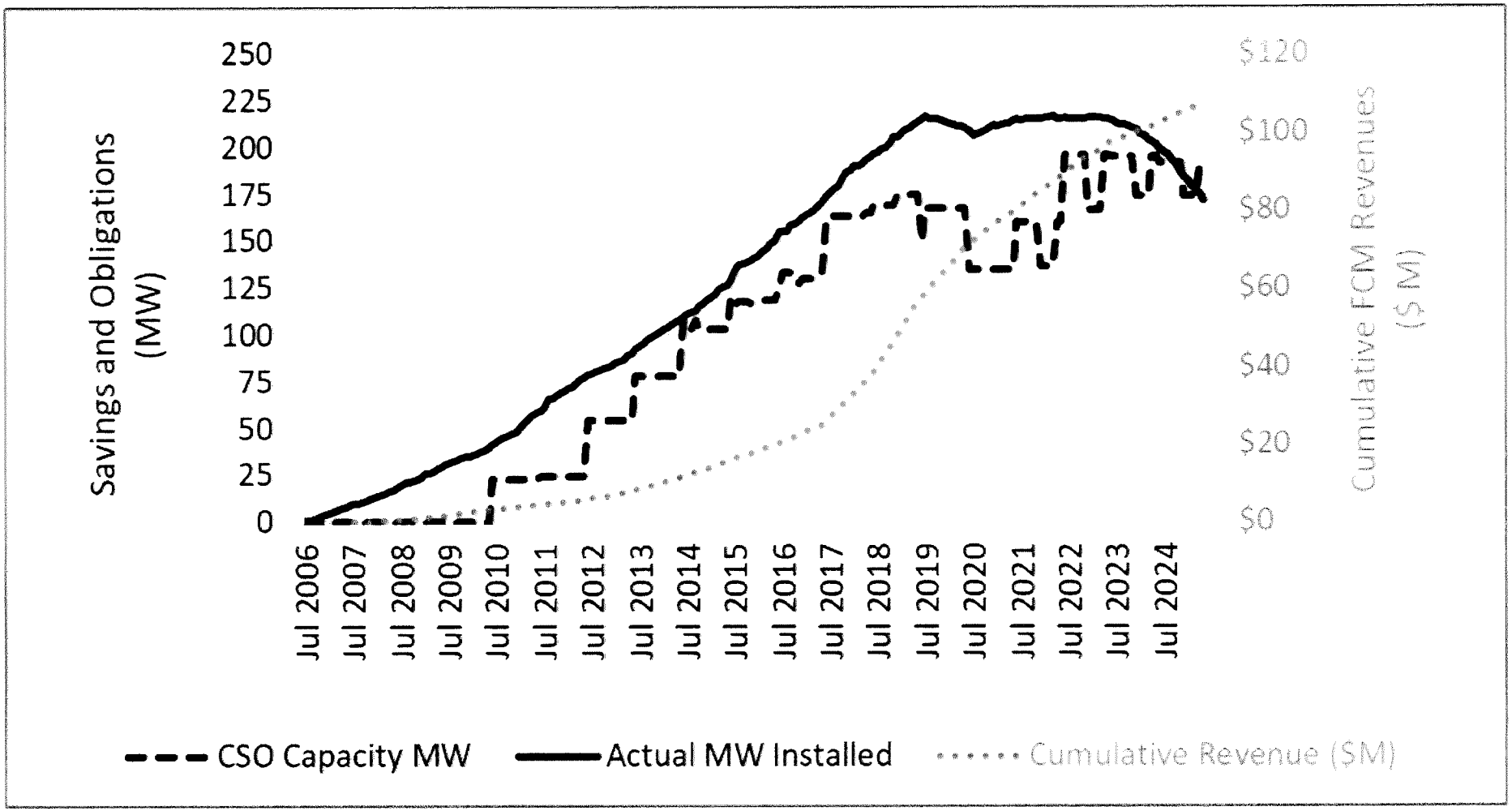
Table 6-1 "Wholesale Market Costs and Residential Retail Supply Rates" from ISO-NE 2023 Report of the Consumer Liaison Group. Page 35

Chart: Renewable Generation 03-02-2025 ISO EXPRESS

Chart: REAL TIME PRICES 03-02-2025 ISO EXPRESS

COMMITMENT PERIOD	CAPACITY ACQUIRED (MW)	RESOURCES (MW)[1]	GENERATION (MW)[2]	CLEARING PRICE ($/KW-MONTH)[3]	Forward Capacity Market EMT Revenue
FCA 18 in 2024 for CCP 2027/2028	31,556	105	998	$3.580	
FCA 17 in 2023 for CCP 2026/2027	31,370	130	619	$2.590	
FCA 16 in 2022 for CCP 2025/2026	32,810	230	311	ROP: $2.591 NNE: $2.531 & SENE: $2.639	
FCA 15 in 2021 for CCP 2024/2025	34,621	170	950	ROP: $2.611 NNE: $2.477 & SENE: $3.980	
FCA 14 in 2020 for CCP 2023/2024	33,956	323	335	$2.001	$4,796,510
FCA 13 in 2019 for CCP 2022/2023	34,839	654	837[4]	$3.800	$7,745,200
FCA 12 in 2018 for CCP 2021/2022	34,828	514	174	$4.631	$9,296,663
FCA 11 in 2017 for CCP 2020/2021	35,835	640	264	$5.297	$9,072,415

Figure 1: Summary of the Trust's FCA Actions



Heating Fuel Prices per Million Btu

Below is a table that compares various heating fuels, on a dollar per million Btu (heating unit). Consumers will then need to consider the efficiency of their heating system(s) to estimate their overall heating costs.

Prices per Million Btu as of March 3, 2025

Heating Type	Unit	Fuel Price Per Unit	Fuel Price ($ per million Btu)
Firewood	Cord	$350	$15.91
Natural Gas	Therm	$1.345 - $2.427	$13.45 - $24.27
Wood Pellets	Ton	$365	$22.12
Electricity - Air Source Heat Pump	kWh	$0.0887 to $0.010	$26.00-$29.31
Heating Oil	Gallon	$3.78	$27.25
Kerosene	Gallon	$4.61	$34.15
Propane	Gallon	$3.54	$38.76
Electricity - Baseboard	kWh	$0.26-$0.293	$76.20-$85.87

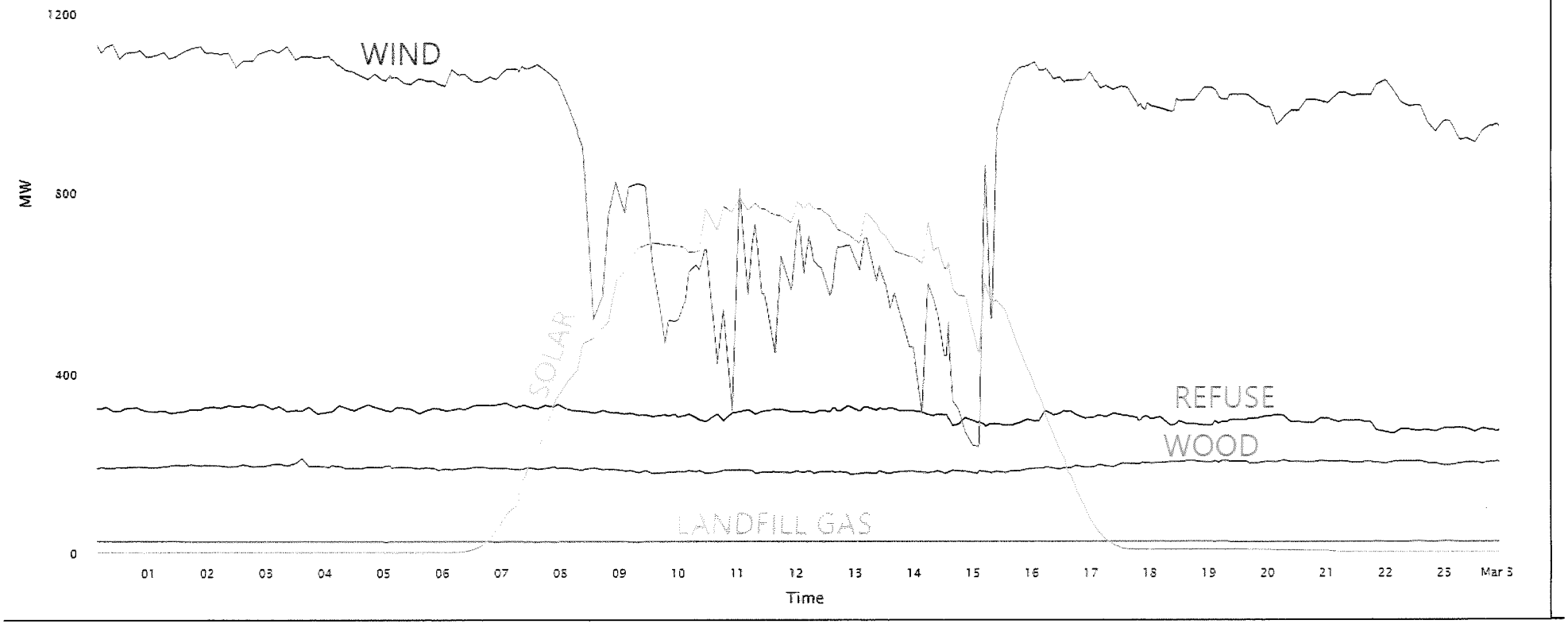
Table 6-1 shows the range of average wholesale market costs for calendar years 2013–2023 among the New England states and the range of residential retail power supply rates in effect immediately thereafter (i.e., on January 1 of each year) for each of the states with unbundled retail electricity markets.

Table 6-1
Wholesale Market Costs and Residential Retail Power Supply Rates (¢/kWh)[a][b]

	Wholesale Market Costs (¢/kWh)	Date Residential Retail Power Supply Rates in Effect	Residential Retail Power SUPPLY RATES CMP Class A Cents/kwhr
2023	4.80 – 5.29	**January 1, 2024**	10.84 - 10.64
2022	10.51-10.89	**January 1, 2023**	17.63 - 16.63
2021	6.63 – 6.75	**January 1, 2022**	11.81
2020	4.82 – 4.88	**January 1, 2021**	6.45
2019	6.13 – 6.20	**January 1, 2020**	7.30
2018	7.48 – 7.81	**January 1, 2019**	9.00
2017	5.36 – 5.68	**January 1, 2018**	7.92
2016	4.11 – 4.37	**January 1, 2017**	6.69
2015	5.43 – 5.78	**January 1, 2016**	6.46
2014	7.53 – 8.27	**January 1, 2015**	6.75
2013	6.75 – 7.23	**January 1, 2014**	7.41

Date:
03/03/2025

Resources | Renewables



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