

Testimony Ashley Luszczki
Before the Joint Standing Committee on Energy, Utilities and Technology
Opposing L.D. 469, An Act to Prioritize State Access to Electricity Generated in Canada via
High-impact Electric Transmission Lines
March 11, 2025

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Ashley Luszczki. Thank you for the opportunity to testify on L.D. 469, An Act to Prioritize State Access to Electricity Generated in Canada via High-Impact Electric Transmission Lines. I am providing testimony in opposition to this legislation on behalf of the Maine State Chamber of Commerce, which represents small to large businesses across the state.

While this legislation may intend to ensure that Maine benefits from transmission projects, the bill is significantly flawed in design and would effectively prevent any future transmission projects in the state. The feasibility of tracking local consumption from a specific transmission line would be extremely difficult to analyze over the lifetime of a project and would only be an estimate. Further, by the standard in the legislation there would be no transmission lines ever constructed in Maine as those lines carry high-voltage transmission that enhances reliability in the State of Maine. We believe the current standard of looking at the public interest is the appropriate standard for the Commission.

As part of ISO-New England, Maine receives power generated from multiple sources and locations throughout New England, New Brunswick, Quebec, and New York. The electricity is then distributed across the region based on demand. Once power is fed into the grid, there is no clear mechanism to reserve it from Canada, Maine, Massachusetts, etc. or track where that power ends up being utilized.

To ensure the lowest-cost electricity is dispatched to consumers, the ISO-New England market operates under a competitive bidding system. Looking to the recent past, Massachusetts locked into a 20-year contract for Canadian hydroelectric power. Although Maine is not a contractual buyer of power from the New England Clean Energy Connect (NECEC) project, as we look to the future, Maine will benefit because of the regionally stabilized rates and the Commission determined that the project would reduce electricity prices in Maine by displacing higher prices in our region. If Maine were to impose a restriction where a specific amount of power stayed in the state (again, this would be challenging) it could artificially restrict supply and, as a result, increase the cost of electricity to ratepayers.

It should be noted that many transmission projects are proposed not with a specific contract associated with it, but proposed to meet additional electricity demand, improve reliability, or

meet public policy goals. As a result, a proposal to replace an existing line, upgrade it, or improve reliability would be subject to this new standard of review. As the Chamber has mentioned before, businesses depend on predictability and stability. By imposing conditions such as those outlined in L.D. 469, it could create uncertainty for future transmission projects. While there was significant public debate with the NECEC project, it represents a major investment in transmission infrastructure that was determined by the Commission to provide ratepayer benefits. If Maine were to have required 50 percent of the power from that project to stay in Maine, it is possible that the project may not be developed due to this new standard.

Furthermore, these projects create local jobs and provide economic benefit to communities across the state. The Chamber is dedicated to helping spur economic growth and we are concerned that by adding this requirement it could hinder Maine's ability to do so.

Thank you for your consideration. The Chamber urges the committee to vote Ought Not to Pass on this legislation.