



JANET MILLS
GOVERNOR

STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

DAN BURGESS
DIRECTOR OF GOVERNOR'S
ENERGY OFFICE

TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

An Act to Direct the Public Utilities Commission to Seek Informational Bids Regarding Small Modular Nuclear Reactors in the State L.D. 343

GOVERNOR'S ENERGY OFFICE
February 13, 2024

Senator Lawrence, Representative Sachs, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Caroline Colan, and I am the Legislative Liaison for the Governor's Energy Office (GEO).

The GEO testifies neither for nor against L.D. 343.

GEO appreciates the opportunity to provide comments on this legislation which proposes that the Public Utilities Commission (Commission) seek informational bids, on an annual basis, for the establishment of a small modular nuclear reactor (SMR) in the state. In recent years, the U.S. Department of Energy and several of the nation's national laboratories have invested in efforts to support research, development, and deployment activities designed to advance U.S.-based SMR technologies domestically and abroad.¹ These research efforts recognize the potential for SMRs and other emerging technologies to support U.S. energy independence, grid resilience, and the development of additional clean power supply. These efforts have also highlighted the remaining technology development and licensing risks, cost concerns, and permitting challenges related to deployment of advanced nuclear reactors in the near term.

In 2023, the Nuclear Regulatory Commission (NRC) certified NuScale Power's SMR design, the first SMR design to be certified in the U.S. The design is for a module capable of generating 50 MW of clean electricity. The first commercial deployment of NuScale's modules was slated to go online in 2030 in Idaho with power contracted by the Utah Associated Municipal Power Systems. Unfortunately, the project was canceled in late 2023 due to cost increases.²

Despite no active construction of SMRs in the U.S. today, there does remain significant interest in SMR development in the U.S. and internationally. In Maine, additional barriers to developing new nuclear generation in the state in the near term persist and would likely lead to increased costs in bids received per this legislation, including a law that requires a public referendum prior to the construction of any nuclear power plant within the state, in addition to other regulatory hurdles.

Given the nascence of the SMR industry, the limited available work evaluating the economic viability of SMRs, and the existing regulatory barriers to development in Maine, the scope of this proposal may be premature. At this time, we would suggest that the state continue to review the market development

¹ <https://www.energy.gov/ne/advanced-small-modular-reactors-smrs>

² <https://inl.gov/trending-topics/carbon-free-power-project/>

efforts of the DOE and the national laboratories, as well as new design certifications from the NRC to stay abreast of advances in the SMR industry. GEO is also aware of other approaches that our peer states have adopted to signal interest in advanced nuclear technology development in their states to project developers and those working on research and development which could provide useful information and methodologies for Maine to consider while utilizing fewer Commission resources to do so. GEO can provide additional information on these efforts if it's of interest to the committee.

Thank you for your consideration.

A handwritten signature in black ink that reads "Caroline Colan". The signature is fluid and cursive, with the first name "Caroline" and last name "Colan" clearly distinguishable.

Caroline Colan, Legislative Liaison
Governor's Energy Office