

Testimony of the Industrial Energy Consumer Group
Neither For Nor Against
L.D. 912, *An Act to Address the Use of Electricity by Data Centers*
Before the Joint Standing Committee on State and Local Government
April 3, 2025

Good afternoon, Senator Lawrence, Representative Sachs and Members of the Joint Standing Committee on Energy Utilities and Technology. I am Steven Hudson, an attorney with the firm of Preti Flaherty, here today on behalf of the Industrial Energy Consumer Group (IECG). IECG has been representing medium and large sized consumers of energy in Maine for more than twenty-five years at the state, regional and federal level. We advocate for policies that reduce the cost of energy for our members and cost-effectively help Maine achieve its climate goals. We share the concern of many of the people and organizations in this room about the work needed to adequately address climate change. That is the reason we emphasize cost-effective measures, in order to ensure that our collective resources are able to meet the challenge. IECG invites legislators, interested parties and the public to visit our website, <https://www.getmaineclimateright.com/>, to learn more about the IECG and its advocacy for cost-effective climate mitigation.

IECG testifies Neither For Nor Against, the sponsor's amendment to L.D. 912. We appreciate the sponsor offering the amendment prior to the hearing on this bill and we will contain our remarks to that amendment. As Committee members may know, among IECG's members are large consumer generators with substantial generation, much of it renewable, behind the meters of our facilities. Through the years, we have had such members provide electricity to on-site tenants located on or adjacent to the member's facility and behind the member's utility meter. Seeking to avoid restrictions on such use is important to maintain the flexibility of our operations both now and in the future. Maine PUC precedent and law provide several analytical frameworks to maintain and establish such relationships and assist with maintaining the economic competitiveness of our members. We support such flexibility for all economically advantageous arrangements to maintain and build the Maine economy, especially in rural Maine.

Today we suggest that the committee spend the time it needs to fully understand the implications of the sponsor's amendment. First, we do not know if the definition of data center in the amendment is appropriate for Maine. At a quick glance it appears that it is based on a federal definition found in the

Department of Energy industrial energy efficiency statute. This might be fine for Maine, but we note that other states have definitions which differ from this federal definition we think if this bill is the first time such a statutory definition is adopted in Maine, that perhaps Maine Office of Information Technology might be asked to advise the committee.

Second, we do not understand why the public interest requires a statute to impose a limitation on data centers on what private parties can agree to, or to set a state standard that all municipalities will have to follow. We hope that this has been explained by the proponents in their testimony preceding ours. Our concern is that if one of our members or another owner of a former mill site seeks to take advantage of the Direct Sales Act, adopted in 2019 and which this bill seeks to amend, then L.D. 912 may be an unhelpful amendment. It would seem to us that the host town and the private parties involved could work out an approach which works for their circumstances and desired outcomes. Our general preference is to keep behind the meter arrangements unencumbered by additional statutory requirements, especially those driven by individual circumstances. If the generator and landowner find the proposed limitation unobjectionable, then they could simply agree with the bill proponents on a private agreement to impose such a limit without the need for a statutory amendment.

Thank you for the opportunity to submit these comments. IECG is happy to answer questions now or provide additional resources for the Committee at the work session.