

**Testimony of the Industrial Energy Consumer Group**  
**In Support of**  
**L.D. 1210, *An Act to Regarding Renewable Electricity Generation by Hydropower Projects***  
**Before the Joint Standing Committee on Environment and natural Resources**  
**April 8, 2025**

Good morning, Senator Tepler, Representative Doudera and Members of the Joint Standing Committee on Environment and Natural Resources. 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 today in support of L.D. 1210, *An Act to Regarding Renewable Electricity Generation by Hydropower Projects*. This bill is vital to Maine's achievement of its critical climate goals, specifically the 2045 and 2050 zero carbon goals set in this Administration's *Maine Won't Wait* Climate Action Plan, based on the thorough work of the Maine Climate Council and this Committee. The very reason that this bill is critical is one that this committee focuses on in its work: Maine, New England and the nation are far behind in achieving our vital climate goals. Without this bill, Maine risks falling further behind because we will continue to undervalue, and therefore risk squandering, our significant existing dams, and the currently operating hydroelectric resources they create. We need them now and will need them even more later.

Maine's river valley communities and industries were built by capturing the energy of the moving water in our larger rivers. We take them for granted at times, but now, as costs of energy to your constituents rise to get us to zero carbon, Maine cannot afford to waste existing, low cost zero carbon energy generation at currently operating hydroelectric dams. Obviously, water is renewable and without emissions. Further, the dams of Maine follow rather than increase the market price of energy to your constituents. That is why currently operating Maine dams are a key part of the Governor's Energy Office's recent Maine Energy Plan.

IECG today has provided you with a copy of the only multi-year study of the technologies and costs for Maine to reach zero carbon<sup>1</sup>. Prepared by Dr Richard Silkman, an energy expert , it shows that existing dams are assumed to continue to be a foundation on which Maine will continue to build. And, as you will see at the tagged pages 55 and 58, specifically Tables 3-7 and 3-8, Maine will need those dams to be available as storage to balance other renewables, or our costs and environmental impacts will rise by the need to purchase extremely expensive large-scale and long-duration batteries. In fact, Maine's larger hydropower projects operate as existing low-cost batteries right now, with impoundments that provide recreational and other natural resource values. The cost of batteries today has been estimated at between \$170-\$296/MWh. Compare this to the levelized cost of entry for existing hydro of about \$50/MWh. This means that battery storage is 3.5 to nearly 6 times the cost of existing hydropower generation, all of which bids in at a fraction of the normal marginal clearing price in New England's regional electricity market. And those number for batteries was for four-hour duration, not the much longer duration that larger existing hydropower generators can provide. The time for batteries will come, but that time is not now and not soon.

This bill merely requires that in any decision to issue or reissue a water quality certificate for a Maine hydroelectric dam, the climate goal value of the dam be considered by the Department. The bill does not command any result except consideration of the possible effect on Maine's ability to get to zero carbon by the deadlines in the Maine Climate Plan. Our one suggestion is that the bill be focused on adding this requirement for currently operating dams providing zero-carbon electricity. IECG is committed to rapid, lowest cost climate mitigation, and that means assuring Maine properly values our existing high-value hydroelectric dams.

IECG strongly urges your approval of this bill. 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.

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<sup>1</sup> Dr. Silkman's report can also be found on-line at <https://www.competitive-energy.com/zero-carbon-maine>.