



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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Testimony of the Maine Public Utilities Commission
Neither For Nor Against
LD 1270, An Act to Establish the Department of Energy Resources

April 8, 2025

Senator Lawrence, Representative Sachs, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying neither for nor against LD 1270, An Act to Establish the Department of Energy Resources on behalf of the Public Utilities Commission (Commission).

LD 1270 provides that the newly created Department of Energy Resources is the primary entity responsible for initiating and conducting new procurements for renewable energy and clean resources unless otherwise designated and would be required on a two-year cycle to conduct one or more competitive solicitations.

Currently, multiple places in statute require or allow the Commission to conduct competitive solicitations. The Commission is identifying procurements with ongoing authority for the Committee to consider the level of coordination that would be preferred between the Department and the Commission, whether the Committee is concerned about the potential for simultaneous solicitations occurring at the same time, or whether the Committee would prefer to provide the Department with the authority over these solicitations.

The current solicitations required to or may be undertaken by the Commission are as follows:

- **35-A M.R.S. § 3209-D** - Allows for one or more competitive solicitation to award long-terms contracts to projects currently participating in net energy billing. We have conducted one solicitation under this provision and could conduct others.
- **35-A M.R.S. § 3210-C** – Requires the Commission to conduct a competitive solicitation for capacity resource no less than every three-years if the Commission determines that the likely benefits to ratepayers resulting from any contracts entered into as a result of the solicitation process will exceed the likely cost.¹
- **35-A M.R.S. § 3210-J** – Requires the Commission to conduct one or more competitive solicitations to procure energy and renewable energy credits from eligible Class IA resources in an amount equal to 5% of the retail electricity sales in the State in 2021, plus the amount to

¹ Capacity resource means any renewable capacity resource, nonrenewable capacity resource or interruptible, demand response or energy efficiency capacity resource.

account for selected projects under 35-A M.R.S. § 3210-G that has not been fulfilled with a primary preference for projects located on agricultural land contaminated by PFAS and a secondary preference for projects that minimize use of farmland that is not contaminated land and minimize use of forested land. If a procurement does not result in the fully authorized amount being procured, the Commission must initiate an additional solicitation within twelve months.

- **35-A M.R.S. § 3408** – Requires the GEO to establish a schedule for competitive solicitations for the procurement of no less than 600 MW of offshore wind power projects and to develop RFPs to be reviewed and issued by the Commission. New solicitations are required every three years.
- **35-A M.R.S. § 3803** – Allows the GEO to petition the Commission to procure energy from renewable resources to achieve the emission reduction and renewable energy goals of the State and to meet reasonably expected growth in electric demand. It specifies that the Commission may through a competitive solicitation procure renewable energy in manner that is consistent with beneficial electrification and to the extent practicable, the Commission is required to ensure that the acquisition of energy from renewable resources is designed to procure sufficient energy to meet the portfolio requirements for the reasonably expected increase in use of electricity by retail electricity consumers.

Regardless of the outcome relating to these procurements, what is proposed in LD 1270 is workable. The Commission will coordinate with the GEO to ensure a smooth transition and with the Department to ensure any future procurements are done in an efficient and effective manner.

I would be happy to answer any questions or provide additional information for the work session.