

Testimony of the Industrial Energy Consumer Group
In Support of L.D. 1250,
An Act to Provide That Portfolio Requirements for
Renewable Electricity Resources Apply Only to Actual Retail Sales
Before the Joint Standing Committee on Energy, Utilities and Technology
April 9, 2025

Good afternoon, Senator Lawrence, Representative Sachs and Members of the Joint Standing Committee on Energy Utilities and Technology. I am Tony Buxton, an attorney with the firm of Preti Flaherty, here today on behalf of the Industrial Energy Consumer Group (IECG). IECG represents medium and large sized consumers of energy in Maine and advocates for policies that reduce energy costs for our members and cost-effectively help Maine achieve its climate goals. 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 all parties to visit our website, <https://www.getmaineclimateright.com/>, to learn more about the IECG and its advocacy for cost-effective climate mitigation.

IECG testifies in Support of L.D. 1250, *An Act to Provide That Portfolio Requirements for Renewable Electricity Resources Apply Only to Actual Retail Sales*. We support LD 1250 since it is painfully clear that the PUC's behind-the-meter holdback of RECs is flatly inconsistent with the plain language of the existing statute, which in multiple locations refers to the RPS being based on retail sales:

- MRS 35-A §3210 sub-§1-A, which in two places sets goals based on “**retail sales electricity**;”
- MRS 35-A §3210 sub-§3, sub-§3-A, sub-§3-B and sub-§3-C which impose RPS compliance for each class of RPS resources “as a condition of licensing pursuant to section 3203, each **competitive electricity provider**” must demonstrate that no less than the specified RPS Class percentage of “its portfolio of supply sources for **retail electricity sales** in this State is accounted for” by resources from that Class;
- All of these subsections also refer to “[r]**etail electricity sales** pursuant to a supply contract or standard-offer service arrangement executed by a **competitive electricity provider**;”
- MRS 35-A §3210 sub-§7 directs the commission “inform electricity consumers in this State of the benefits of electricity generated in this State using renewable resources and of the opportunities available in this State **to purchase electricity** that is generated using those resources;”

- MRS 35-A §3210 sub-§8 on REC trading states that the “commission shall allow **competitive electricity providers** to satisfy the portfolio requirements;” and
- MRS 35-A §3203 sub-§2 which requires competitive electricity providers seeking licensing to provide “[e]vidence of the ability to satisfy the renewable resource portfolio requirement established under section 3210.”

We also believe that the holdback is inconsistent with the RPS policy expressed in MRS 35-A §3210 sub-§1, which states that the purpose of the RPS is:

“In order to ensure an adequate and reliable supply of electricity for Maine residents and to encourage the use of renewable, efficient and indigenous resources, it is the policy of this State to encourage the generation of electricity from renewable and efficient sources and to diversify electricity production on which residents of this State rely in a manner consistent with this section.

The existing holdback discourages the “use of renewable, efficient and indigenous resources.” It harms generators by denying them equal treatment as out of state generators. It harms the competitiveness of Maine businesses in our forest products industry. It harms consumers by arbitrarily restricting the supply of RECs available for compliance purposes.

There is nothing in the entire RPS section of Title 35-A that supports the Commission’s imposition of a holdback. The holdback is not only out of step with the statute, but it places Maine out of step with the rest of New England. Our research has not found any New England state that imposes such a holdback in this manner. The only state that does not completely focus on retail sales is Massachusetts, which seems to be increasingly focusing on electricity moving across the wires of their transmission & distribution utilities. Even applying such a standard to Maine would not allow a holdback on electricity generated and consumed on the same site.

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.