HOUSE OF REPRESENTATIVES
2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002
(207) 287-1440
TTY: (207) 287-4469

Nathan J. Wadsworth
29 Rock Crop Way
Hiram, ME 04041
Phone: (207) 838-7451
Nathan.Wadsworth@legislature.maine.gov

Testimony of Rep. Nathan Wadsworth introducing
LD 1251, "Resolve, to Reduce the Cost of Energy in Maine and Further Reduce Greenhouse Gas Emissions Through Energy Contracts"
Before the Joint Standing Committee on Energy, Utilities and Technology

April 9, 2025

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Representative Nathan Wadsworth and I represent House District 82 which is comprised of the towns of Brownfield, Fryeburg, Lovell, Hiram, and Porter.

It might surprise some on this committee that twelve years ago, Republican and Democratic legislative leadership and EUT committee members came together to pass a broad and complex piece of legislation: the Maine Omnibus Energy Act of 2013. That bill (1) amended the PUC's organic statute to explicitly include minimizing energy costs for Maine consumers; (2) extended some of the first programs for heat pumps; (3) provided important reforms to the Efficiency Maine Trust statute, including the concept of MACE, while capping efficiency spending; (4) established the first version of Maine's non-wires alternative, (5) allowed municipalities to have a say in the management of street lighting systems; (6) required the PUC to consider the University of Maine's deep-water offshore floating wind pilot project; and (7) enacted the Maine Energy Cost Reduction Act (MECRA) law.

I will stop for a moment to consider the idea that a supermajority of legislators of both parties passed such an ambitious bill. For good or ill, it was passed with near unanimity.

My bill today, LD 1251 is not as broad or complex as the 2013 Omnibus. It is not even as ambitious as LD 698 which we passed two years ago. However, both those bills have set the stage for this one today. LD 1251 will allow Maine to leverage the investment and the authority we made in the PUC through MECRA, while encouraging a revitalized look at what we need for cost-effective transition fuels in the midst of new developments this year at the federal and regional levels. We already knew that the prior owners of the PNGTS natural gas transmission line are engaged in talks with New Brunswick about expansion of that pipeline. We know the new Administration is discussing the need for natural gas pipeline expansion to reduce energy costs and improve energy reliability in the Northeast.

But now we have heard that the governors of the states which blocked our MECRA efforts previously are experiencing a change in heart, especially as they better understand the trajectory of costs related to the clean energy transition, possible delays in that transition, and the continued need for domestic natural gas to reduce costs and displace oil and coal in New England.

I will sketch for the Committee the role that natural gas plays today and the important bridge it is to a fully decarbonized future. MECRA was enacted to address the high cost and scarcity of natural gas in the region, which leads to both shortages of natural gas and costs that can be ten times the price of the underlying commodity price. Higher natural gas sets the clearing price of electricity, so shortages also increase both the price of electricity and greenhouse gas emissions.

A PUC study from Sussex Economic Advisors[1] concluded that Maine ratepayers would benefit from an ECRC, while an OPA study by The Brattle Group concluded that state intervention might be necessary,[2] as pipeline constraints had "increased Maine electricity costs by more than $180 million" in 2013.[3] The PUC agreed, saying that "the potential cost of inaction should also be considered. Shortage of pipeline capacity has already cost Maine electricity customers hundreds of millions of dollars over the last few winters."[4] The PUC voted to proceed with an ECRC, but in November 2016, it suspended further activities pending future developments, "in recognition of events in courts and public utilities commissions in other New England states".

I recognize that some in Maine may oppose further expansion of natural gas infrastructure fearing it may lock Maine into use of a fossil fuel that will hurt our move towards beneficial electrification. However, natural gas will set the price of electricity in New England for at least the rest of this decade and likely through the next. If we do nothing to reduce the cost in Maine and New England, we will face that cost predicted by the PUC if not higher. As an example, it has been estimated that New England ratepayers paid enough in higher electricity prices in January and February 2022 to pay for the ENTIRE capital cost of a new interstate natural gas pipeline in the region. Similar economics have been in play this winter.

In addition, in less than two weeks this winter, New England's oil-fired electric power plants emitted over 1.2 billion pounds of CO2, and this amount of CO2 emissions "undid" the gasoline-displacement carbon emissions effect of 2.2 times as many EVs as all of New England had in 2021.[5]

Failure to have adequate supplies of natural gas – and failure to plan a thoughtful transition from natural gas to even lower carbon-containing liquid fuels will damage the Maine economy and increase greenhouse gas emissions for years.

Thank you for your time and I look forward to your questions of those who will follow me.

Nathan J. Wadsworth
State Representative

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[1] SUSSEX ECONOMIC ADVISORS, MAINE PUBLIC UTILITIES COMMISSION: REVIEW OF NATURAL
GAS CAPACITY OPTIONS (2014), available at http://www.isone.com/committees/comm_wkgrps/othr/egoc/mtrls/2014/mar62014/maine_puc_gas_study_022614.pdf.

[2] *Public Utilities Commission*, Investigation of Parameters for Exercising Authority Pursuant to the Maine Energy Cost Reduction Act, 35-A M.R.S. §1901, No. 2014-71, Examiners' Report (Me. P.U.C. Oct. 1, 2014) at 13.

[3] Id. at 8.

[4] Order, 2014-00071, at 35.

[5] Petroleum-fueled power generation data from US EIA, available at https://www.eia.gov/electricity/gridmonitor/expanded-view/daily_generation_mix/regional/REG-NE/RegionBaEnergymix-18/edit.