## Testimony of Industrial Energy Consumer Group In Opposition to

## LD 1358, An Act to Reduce Electricity Rates by Removing Limitations on the Ownership of Generation by an Affiliate of an Investor-owned Transmission and Distribution Utility, and LD 1592, An Act to Reduce Energy Costs by Permitting the Ownership of Generation by Investor-owned Transmission and Distribution Utilities Before the Joint Standing Committee on Energy, Utilities and Technology April 16, 2025

Senator Lawrence, Representative Sachs, Members of the Energy, Utilities and Technology Committee, I am Glenn Poole of Monson, Maine. I testify today against both bills that would allow Maine T+D utilities or their affiliates to own or operate generation in their service territories.

I am a retired electrical engineer who has worked in several paper mills. I now do energy consulting, including occasionally for Industrial Energy Consumer Group, of which I was once President. I serve as the Chairman of the Board of Directors of Efficiency Maine Trust, but my testimony is my own and has nothing to do with the Trust. I testify today on my own because the critical part of energy restructuring and generation deregulation has been the creation of real competition among generators. Where we let that competition take place, costs go lower. These bills would hurt competition.

For much of my career, I worked in energy at the Bucksport Paper Mill, when it was owned by Champion. Originally built in the 1930s by CMP, the mill was small and the paper machines not the fastest. We were CMP's biggest customer. We burned oil, coal, tires and biomass to make process steam and power needed to operate the mill. To extend the life of the Mill, we decided to build a 190 MW natural gas cogen plant, and to sell the power we couldn't use to Hydro-Quebec. The cogen would triple our power production and cut our emissions in half. Ours would be one of the lowest cost, lowest emission gas plants.

But to install our generator we had to secure an interconnection agreement from CMP, and they put up several roadblocks, perhaps because sales to us would be lost. CMP told us we could be interconnected only if we also built out the grid so we could deliver our output throughout New England. This seemed expensive and never ending. We appealed to NEPOOL, which then ran the grid. They also refused, arguing that the grid belonged to CMP. We visited FERC and then appealed to FERC. FERC issued a historic decision ordering our interconnection. FERC said the grid exists for customers, not generators. CMP at the time owned generation.

Champion fought that fight because it was do-or-die for the Mill. The typical developer might just walk away. Champion spent a small fortune on attorneys, and the Mill provided good jobs in Bucksport for another 15 years because we got that interconnection.

This story shows the natural consequence of an electric utility both owning generation and controlling access to and operation of the grid.

I am sure you have heard of the many issues solar developers have had getting their projects interconnected. Now imagine the Utility studying the interconnections is also trying to interconnect their own solar projects.

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I respectfully urge these bills not become law. I would be happy to answer any questions.