

Testimony of Patrick Woodcock
Before the Joint Standing Committee on Energy, Utilities, and Technology Committee
Neither for nor Against of L.D. 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”
April 16, 2025

Senator Lawrence, Representative Saches, and members of Joint Standing Committee on Energy, Utilities, and Technology, my name is Patrick Woodcock. I am here on behalf of the Maine State Chamber of Commerce, representing a network of 5,000+ small to large businesses. Thank you for the opportunity to provide testimony on L.D. L.D. 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.” I am here today to testify neither for nor against this legislation.

At the outset, I want to emphasize that the Chamber is fully supportive of the restructured market design where electric generation competes in a capacity and wholesale market. The restriction of the electric distribution companies from utilizing their market position to participate in these markets in a manner that undercuts these competitive markets is essential. As we regionally move forward with increasing clean energy resources we think that it is imperative that we apply the principles of a competitive market and integrate these new clean resources into a manner that does not undermine the core competitive market.

However, there are overly restrictive provisions as we see it under current Maine law. The Maine State Chamber of Commerce believes the legislation before you today could increase competition if it is clarified to limit affiliate interconnections. Under current law, an affiliate of an electric distribution company is unable to interconnect with the electric distribution company. The consequence of the law effectively limits Avangrid, one of the largest renewable developers, with Central Maine Power’s distribution system. This would effectively preclude this lease holder of one of the Gulf of Maine offshore wind leases from seeking interconnection in Central Maine Power’s service territory. This will reduce competition in any future offshore wind solicitation.

Critically, the legislation retains the following language in statute for the Commission to develop rules to ensure that this affiliation interaction

- A) Prohibit a transmission and distribution utility from taking any action that favors such an affiliate or adversely affects a competitor of such an affiliate in a manner that is unjust or unreasonable;
- B) Ensure the separation and independence of such affiliates; and
- C) Protect ratepayers.

Equally important would be to clearly establish the standards within the RFP for future offshore wind solicitations. In sum, the law as currently written is overkill in a manner that simply precludes Avangrid from considering investments and projects that interconnect into Maine. It

should be noted that the offshore wind developers are very limited so expanding the competition to include Avangrid would be material. If Maine is really to move forward with a significant offshore wind industry we should be open to these projects and make this change so a future Avangrid offshore wind project could consider investment into Maine.