Natural Resources Council of Maine
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Testimony in Support of LD 1726,
An Act to Enhance the Coordination and Effectiveness of Integrated Distribution Grid Planning

To the Joint Committee on Energy, Utilities and Technology
by Rebecca Schultz
Senior Advocate for Climate and Clean Energy
April 29, 2025

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Rebecca Schultz, and I am a Senior Advocate for Climate and Clean Energy with the Natural Resources Council of Maine (NRCM). NRCM is a nonpartisan membership organization that has been working for more than 65 years to protect, restore, and conserve Maine's environment, now and for future generations.

On behalf of our nearly 20,000 members and supporters, NRCM testifies in support of the sponsor's amendment to LD 1726, dated April 29, 2025, **with suggested amendments.**

In 2022, NRCM advocated for the amendment to LD 1959, which added the provisions on integrated grid planning to the governor's utility accountability bill. We participated actively through two years of proceedings at the Public Utilities Commission (PUC), which culminated in the order issued last July detailing what the utilities must do for the plans. This is to say, NRCM has been following this issue closely. Prior to these provisions, there were no requirements that our investor-owned utilities (IOUs) take into account the state's climate and clean energy plans and obligations, and we believe that integrated grid planning can help ensure that our utilities are making the necessary changes to how they plan, build and operate the grid to support an affordable and timely transition to clean energy for Maine.

Grid-Enhancing Technologies (GETs). We agree with what we take to be the sponsor's intention with this bill, to make grid planning more effective and coordinated with other planning efforts, including opportunities for cost-effective enhancements to the transmission and distribution (T&D) systems. Last year, Maine enacted LD 589, which required the Commission to undertake periodic review of opportunities for grid-enhancing technologies, or GETs, which encompass cost-effective software and hardware add-ons to increase the capacity of the existing transmission system. Those 5-year reviews were not required to be incorporated into the utility grid plans, so we do support the sections of LD 1726 that pertain to GETs,

We would suggest, however, one modification. To the sponsor's April 29 amendment, Section 3147, subsection 2, we propose that A through C should instead be added to Section 3147 subsection 4-D, as 7 through 9.

Non-Wires Alternatives. We also strongly support Section 10 of the bill, which requires an internal review of the state's Non-Wires Alternative process.

Forecasting. Regarding Sections 1, 5 and 9 of LD 1726 related to forecasting, we do have concerns. We support coordination, transparency, and making data, tools, and methods available across agencies and to the public, but we urge caution when it comes to requiring strict standardization.

In light of beneficial electrification, there is significant uncertainty with respect to forecasting growth in electricity demand, based on the pace and distribution of technology adoption. Therefore, there may be benefits to having a diversity of approaches. Additionally, given the different applications of forecasting across agencies (i.e., GEO's state-wide 25-year planning horizon vs. circuit-level demand management programs in Efficiency Maine's triennial plans), different forecasting approaches may be appropriate. We recommend amending LD 1726 to strike the strict standardization requirements.

Flexible Interconnection Proceeding(s). We recommend adding language requiring the Commission to open a proceeding or proceedings to develop and adopt flexible interconnection options for new interconnecting customers. The proceeding would seek to:

- Allow generators to change their operating profile to reduce their cost to connect to the grid.
- Modify the current interconnection screens to reflect actual grid conditions rather than proxy assumptions.
- Investigate investments in infrastructure by the utilities, both planned and existing, that could increase the flexibility allowed through changes to operational characteristics and planning standards.
- Examine how changes to generator operational characteristics and utility planning standards could be leveraged to reduce T&D infrastructure investments through non-wires alternatives.
- Examine regulatory barriers at the regional and federal levels.

Having a framework for flexible interconnection emerged as a recommendation from GEO's Distribution System Operator study.[1] Currently, distributed energy resources or DERs are not being utilized in Maine to reduce T&D system costs. Furthermore, the Governor's Energy Office

[1] https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/distribution-system-operator-study

was awarded $65 million last year from the Department of Energy for a project known as Flexible Interconnections and Resilience for Maine (FIRM). The project involves investments in Versant and Central Maine Power systems to allow for more clean distributed energy to be connected to Maine's grid at lower costs to both ratepayers and generators.[2] Despite this important award and forthcoming technology investment in Maine's grid, no process has been proposed for developing the regulatory framework to accompany these investments to help ensure they are maximized and are made available to interconnecting customers. The flexible interconnecting proceeding proposed here would accomplish that.

We therefore urge you Ought to Pass on LD 1726 with these friendly amendments.

Thank you for your consideration of these comments. I would be happy to answer any questions that the Committee has.

Thank you.

[2] https://www.maine.gov/energy/press-releases-firm-grant-announcement-oct-2024