

## STATE OF MAINE OFFICE OF THE GOVERNOR 1STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

DAN BURGESS
DIRECTOR OF GOVERNOR'S
ENERGY OFFICE

## TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

An Act to Enhance the Coordination and Effectiveness of Integrated Distribution Grid Planning L.D. 1726

## GOVERNOR'S ENERGY OFFICE April 29, 2025

Senator Lawrence, Representative Sachs, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Caroline Colan, and I am the Legislative Liaison for the Governor's Energy Office (GEO).

The GEO testifies neither for nor against L.D. 1726.

Broadly, this bill seeks to ensure uniform methods for energy forecasting across the GEO, Public Utilities Commission and electric utilities conducting integrated grid planning, and Efficiency Maine, by requiring all entities to use the methods established by the GEO for the state energy plan. It also requires the PUC to rely on utility integrated grid plans to inform selection of renewable energy projects within competitive procurements. We appreciate the sponsor's thoughtful approach proposed in L.D. 1726 and share the sponsor's goal to enhance coordination of grid planning processes and assumptions by several state agencies and quasi-state agencies in order to more effectively and efficiently achieve the state's affordability, reliability, and greenhouse gas emission reduction goals. However, as proposed, the bill may be creating an overly prescriptive requirement that could limit the ability of each entity to exercise the necessary discretion or utilize more appropriate methods, assumptions, or models in executing their duties. As the committee discusses related efforts to improve coordination and consistency in state energy planning and modifications to procurements through L.D. 1270, and while the utilities are currently drafting their first integrated grid plans, GEO is cautious in considering how this proposal may interact or complicate these existing efforts.

We agree that the comprehensive state energy plan, as described under 2 MRS §9 sub-§3 in addition to the proposed changes to this plan included in L.D. 1270, is the appropriate analysis to be utilized for statewide policy, planning, and resource procurement decisions, but a one-size-fits all approach to forecasting may undermine the efficacy of grid planning or Efficiency Maine's triennial planning. For example, the statewide energy forecasting methods that are suitable for development of the state energy plan do not necessarily account for all variables that a utility conducting integrated grid planning at a more granular circuit level should account for. As an example, a utility's forecast for a given area within its service territory may include specific known commercial or industrial load growth based on announced plans, and likely has greater visibility into varied technology adoption rates and demand patterns by circuit, while a statewide forecast appropriately uses broader macroeconomic indicators. In



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the case of Efficiency Maine, they are properly required by statute to utilize a certain collaborativelydeveloped regional study that determines avoided energy supply costs (known as the Avoided Energy Supply Costs in New England or AESC); this provision of law may conflict with that requirement.

Consideration of and alignment with the state energy plan is already required for the electric utilities conducting integrated grid planning (35-A MRS §3147 sub-§4 paragraph E) and the Efficiency Maine Trust in developing its triennial plan (35-A MRS §10104 sub-§4). These existing statutory directives create a requirement that these entities appropriately incorporate aspects of the state energy plan. without creating overly prescriptive requirements. GEO is open to understanding how utilities, the PUC, and Efficiency Maine would approach implementation of this proposal and where there may be areas where coordination between entities with planning roles could be strengthened. Separately, upon completion of the first utility grid plans, GEO will be interested to hear any feedback on the planning requirements and any recommended changes that could improve planning coordination.

Thank you for your consideration.

Caroline Colan, Legislative Liaison

Governor's Energy Office