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April 29, 2025

LD 1726: An Act to Enhance the Coordination and Effectiveness of Integrated Distribution Grid Planning

Testifying: Neither for nor against

Senator Lawrence, Representative Sachs, Members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Kathleen Newman, Vice President of Government Affairs for Central Maine Power Company, submitting testimony neither for nor against LD 1726: An Act to Enhance the Coordination and Effectiveness of Integrated Distribution Grid Planning. We offer this testimony on the bill and the Sponsor's April 29 proposed amendment.

In 2022, the Legislature enacted LD 1959, which, among other provisions, established an ongoing integrated grid planning process with a focus on improving system reliability and resiliency and enabling the cost-effective achievement of the State's greenhouse gas reduction and climate policies. That process began in September 2022, when the Commission began stakeholder meetings to identify priorities to be addressed in utilities' grid plans¹, and the formal 18-month grid plan development process began with the Commission's order dated July 12, 2024.² Meanwhile, the Governor's Energy Office developed and published its *Maine Pathways to 2040* report and its *Maine Energy Plan*, both of which were published in January 2025. And just last week, the Commission approved Efficiency Maine's Triennial Plan VI.³

Each of these plans relies on assumptions about the future with inputs that generally rely on load and capacity forecasts to develop plans for transmission and distribution investments, NWA development and assessment, future study planning, demand response and efficiency measures, and contracts for electric supply.

This bill seeks to align forecasting methods used by utilities in their grid plans and Efficiency Maine in its triennial plan with the forecasting method used by the GEO in its state energy plan. The bill would also require the Commission to use grid plans in developing RFPs, conducting procurements, and negotiating agreements for energy and energy storage projects.

¹ Maine Public Utilities Commission Inquiry Into the Process to Identify Priorities for Grid Plan Filings, Docket No. 2022-00290.

² Maine Public Utilities Commission Proceeding To Identify Priorities for Grid Plan Filings, Docket No. 2022-00322.

³ Request for Approval of the Triennial Plan for Fiscal Years 2026-2028 Pertaining to Efficiency Maine Trust, Docket No. 2024-00310.

Aligning forecasting methods makes good sense to ensure that we share a vision for the future and determine how each office or entity can support achievement of our common goals. However, because the objectives of each of these processes may not fully align, strict adherence to one forecasting method may not best serve all entities. For example, while stakeholders participating in the Commission's grid planning docket generally agreed that the third-party ISO-NE CELT forecast was a useful starting point that considers load and capacity growth, it could be constraining to a GEO developing a state energy plan that seeks to shift the State's trajectory. As CMP works through its first formal integrated grid plan under 35-A MRSA \$3147, we respectfully suggest that modifications to the process – even if intended to apply to future grid plans – be considered with the benefit of having completed a full grid plan to fully debate the value of relying on any forecasting model or method of choosing a forecast in the future.

We also note that the Commission's July 12 order on grid plan filings established three broad priorities (reliability and resilience; improve data quality and integrity; promote flexible management of consumers' resources), and objectives within each of those priorities. Section 4 of the original bill, which relates to integration of DERs, and Section 10 of the bill, which relates to the NWA process, are topics that already must be addressed in accordance with the Commission's order. If the Committee seeks to advance the Section 10 assessment of the NWA process, we request that utilities be included in the discussion to ensure that the entities charged with implementing NWAs participate in developing cost-effective and workable process improvements.

In Section 3 of the bill, which directs the Commission to use grid plans to optimize energy procurements, CMP seeks to clarify that while its integrated grid plan will identify needs and solutions in accordance with the Commission's July 12 order, it is not a substitute for the necessary interconnection studies to safely connect those projects to the electric system. The Commission, the State, and developers should remain aware that those studies rely on specific project proposals and studies not within the scope of the integrated grid planning process.

The Sponsor's April 29 proposed amendment additionally directs the Commission to include certain requirements as grid plan priorities, including a plan for implementation of the transmission planning contained in the state energy plan; an objective to improve efficiency and reliability and reduce congestion through grid-enhancing technologies and advanced conductors; and a method for incentivizing the use of low-voltage sensors to improve grid monitoring and data related to grid conditions and DER capacity by location. While these echo the Commission's July 12 order on grid plan filings and existing law on grid-enhancing technologies, we caution against prescribing too tightly the priorities that may be desirable in every grid plan going forward. If these relatively narrow objectives are prioritized, the work to develop grid plans around these items may marginalize other worthy study areas that emerge during the grid planning process and that may have greater value to the electric system, ratepayers, and progress toward our energy and climate goals.

We look forward to working with the Committee as it further considers this bill.