



Mark W. Lawrence
Senator, District 35

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Testimony of Senator Mark W. Lawrence introducing
LD 597, An Act Regarding Energy, Utilities and Technology
Before the Joint Standing Committee on Energy, Utilities and Technology
May 21, 2025

Representative Sachs and honorable members of the committee, I am Senator Mark Lawrence, and I am here today to present LD 597, An Act Regarding Energy, Utilities and Technology.

Originally, I submitted this legislation as a potential placeholder for important issues that may arise during this legislative session. After listening carefully to our discussions for the last many weeks, I believe we have several important issues that we as a committee can help to resolve. I am hopeful that, with this bill, we can come together on a bipartisan basis to accomplish three very important objectives:

First, the bill seeks to make tweaks to the “contaminated lands procurement” statute we passed two years ago, as recommended by the Public Utilities Commission. During the 131st Legislature, this committee unanimously passed a bill sponsored by my colleague Senator Brenner to conduct a procurement for low-cost renewable energy with a preference given for projects on contaminated lands. Any winning bids were required to be beneficial to ratepayers and the preference for contaminated lands only came into play essentially as a “tie-breaker” for bids that are otherwise equally beneficial. The Legislature was excited about this opportunity to save ratepayers money by procuring low-cost energy and to give landowners who have been left with unusable property with a way to realize some economic relief. This was a true win-win.

Unfortunately, after a year of rulemaking and the RFP process, the PUC was unable to select any winning bids for this procurement. Chair Bartlett sent our committee a memo on April 4 of this year outlining issues with the statute that would need to be addressed in order for this procurement to be successful. So, the first 5 sections of this amendment attempt to make those changes in a way that would allow the PUC to re-run the solicitation on an expedited basis in the hopes we can fulfill the Legislature’s goals from two years ago and procure low-cost energy for Maine ratepayers and help those negatively impacted by PFAS contamination.

The expedited timeline is key here. Developers who bid into this procurement have upcoming interconnection payments this fall that cannot be deferred. These payments amount to hundreds of thousands and, in some cases, more than a million dollars. Without a reliable route to market, developers won’t be able to keep investing in these projects, and we will lose out on the opportunity to bring savings to ratepayers. In addition, the bids that were submitted for this procurement include benefits from the federal Inflation Reduction Act.



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Changes are likely to be made to the IRA in the coming months, so we must act now if we want to realize the benefits of that law for Maine ratepayers. If we wait until the IRA is pared back or repealed, costs will inevitably go up and we will lose out on savings.

Second, the bill calls for a limited procurement of existing renewable energy resources.

We've heard on a couple of occasions this session from stakeholders in the forest products industry that a limited, competitive, and ratepayer beneficial RPS procurement for existing renewable energy generators is necessary to provide certainty to Maine biomass generators and the sawmills, loggers and others that depend on these facilities as an outlet for forest residues that would otherwise be landfilled. This bill proposes a procurement similar to one we directed of the PUC in 2020 and that has subsequently provided millions of dollars in ratepayer benefit and exceeded economic benefit projections. This portion of the bill proposes to add language that requires the PUC to determine that a contract award is more likely than not to produce benefits to Maine ratepayers that exceed costs to Maine ratepayers- underscoring our interest in making sure this provision is positive for electricity customers.

Lastly, the bill also works to protect ratepayers by fixing a flaw in Maine's state energy contracts. Currently Mainers pay for generators to produce energy during negative pricing events even though the market has deemed the energy worthless. The status quo drives up stranded costs for ratepayers and unnecessarily increases congestion on the grid. This bill makes a small but important change to ensure that ratepayers will not have to pay for energy produced when the market price of energy is negative. This change will increase transparency for ratepayers and create a fairer system for existing renewable energy providers.

In summary, this bill will provide essential clarity on the contaminated lands procurement, help support our forest products industry while building in additional ratepayer protections, and provide meaningful reform on negative pricing protections for Maine ratepayers.

I thank you for your time and consideration, and I hope that you will join me in supporting what I believe may be the most ratepayer-friendly procurement legislation that we have ever worked on.