

Gerry Runte
Maine Legislature
LD 838

This bill addresses one of the most persistent and costly structural weaknesses in Maine's energy system: the absence of a public entity empowered to finance transmission and energy infrastructure in the long-term interest of ratepayers.

Congestion within the region and limited interconnections, both within New England and between New England and neighboring systems, increase wholesale energy prices, reduce access to lower-cost resources regardless of their source, and force customers to pay for inefficient workarounds rather than durable solutions. For Maine, these constraints are doubly important.

Transmission constraint fees are a component of wholesale electricity locational marginal prices at every access point of the ISO-NE grid. New transmission is among the most effective tools available to reduce long-run customer costs. Strategic investments can reduce congestion charges, improve reliability, enable greater competition among generators, and unlock access to lower-cost clean power across the region.

The NECEC's operation illustrates these impacts, impacts you can see real time at the ISO website. Every day since the NECEC began operation last Friday. Wholesale prices in the ISO's Maine zone have been the lowest of the six states, and the share of expensive natural gas-powered electricity has been reduced.

LD 838 directly addresses this gap. By creating the Authority, the bill establishes a public instrument capable of identifying transmission corridors of statewide and regional significance, coordinating with ISO-New England and neighboring states, and financing infrastructure using low-cost public capital. This approach mirrors successful models used in NY, NM, and AK, where public transmission authorities can reduce financing costs, appropriately spread risk, and prioritize projects that deliver broad system benefits rather than narrow commercial returns.

Equally important, the bill preserves competition and accountability. The Authority does not operate the grid or replace utilities; instead, it uses transparent, competitive solicitations to select qualified developers and requires strong labor standards to ensure projects deliver high-quality jobs for Maine workers.

That said, I strongly recommend the bill be amended to clarify its relationship to the State as well as limiting its scope solely to transmission projects and Authority owned storage and GETs that facilitate its efficient operation.

To that end, delete all of Section 10501 and replace with:

"The Maine Transmission Authority is established for the purposes of financing and building the transmission needed to meet the State's energy goals established in section 3210, in direct coordination with the Maine Department of Energy Resources and the State Energy Plan adopted pursuant to section 10305, to meet the State's greenhouse gas emissions reduction obligations under Title 38, section 576-A, minimize costs for ratepayers and create high-quality jobs for residents of the State."

To ensure the Authority's scope of projects is limited to transmission projects, as well as any storage and GETs to be owned and operated by the Authority, paragraphs A and B under Section 10504.1 require editing to make this clear, and paragraphs C and D deleted.

Section 10506 should require, not simply allow, the Authority to consult with and coordinate its planning with the Department of Energy Resources and Efficiency Maine.

In short, LD 838 with these recommended changes, gives Maine the tools it currently lacks to shape its energy future. By enabling smarter, coordinated transmission investment, this bill will help lower costs for ratepayers, strengthen reliability, and position Maine as a constructive leader in meeting New England's shared energy challenges. I urge the Committee to support its passage.