



January 20, 2026
Testimony in Opposition to
LD 838 - An Act to Establish the Maine Clean Energy Authority

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Kathleen Bowman, Vice President of Government Affairs for Central Maine Power Company. We appreciate the committee's work and share your commitment to a clean, affordable, and reliable energy future for Maine. However, we respectfully oppose the proposed amendment establishing the Maine Clean Energy Authority for the reasons set forth below.

Summary of Concerns

1. The bill duplicates existing planning and governance structures without a demonstrated cost-benefit case, creating unnecessary costs for ratepayers.
2. Its core structure is internally inconsistent and risks fragmented accountability, delay, and litigation.
3. It lacks a clear funding model and underestimates the resources required to perform complex transmission functions.
4. The eminent domain provisions are overbroad and misaligned with operational responsibility, inviting controversy and legal risk.
5. It would disrupt regional coordination and impose conflicting direction on utilities that remain accountable for reliability and safety.

Purpose and Necessity

Maine's electric grid operates within a coordinated regional system managed by ISO New England, with oversight by the Maine Public Utilities Commission (PUC) and under federally required reliability standards. Utilities already conduct rigorous long-term planning, engineering, stakeholder engagement, and cost allocation to ensure reliability and minimize customer rate impacts. The bill replicates existing transmission planning functions and does not identify how the Authority would be funded, whether through taxes or customer bills. Absent a comprehensive, comparative cost-benefit study demonstrating that a new Authority would deliver the same services at lower cost and greater efficiency than transmission owners provide today, the proposal should not advance.

Structural Defects and Governance Risks

Section 10503(1) states the Authority may not own a stake in projects, yet Section 10504 grants broad powers to acquire property, including by eminent domain, and to borrow and issue debt secured by operating revenues without explaining how such revenues would be generated if the Authority cannot own assets. The bill creates a parallel planning entity with its own corridors, processes, and solicitations, increasing duplication, conflict, and delay, and the use of eminent domain would spur expensive, protracted litigation. Reliability and customer service are regulated by the PUC, but the Authority is "not an agency of state government," leaving unclear who is accountable for delays, overruns, or safety issues on Authority-selected projects that utilities must operate.

Cost and Resource Implications

Transmission development requires scarce, highly skilled expertise in areas including real estate, environmental permitting, engineering, project management, transmission planning, and specialized legal counsel, and the proposal could increase—not decrease—costs to customers as financing is only one component of total project costs. The bill contemplates a new paid board, a politically appointed executive director, staffing “as necessary” with no cap on expenses, duplicative auditing and reporting, and performance bonds for an entity “not subject to administrative direction” by other state bodies, all of which would be costly. Additional labor provisions would narrow the bidder pool, raise construction costs, and add administrative layers, with higher costs ultimately borne by Maine customers.

Eminent Domain and Rights-of-Way

The Authority would have sweeping eminent domain powers to take land for transmission corridors without owning, operating, or bearing long-term responsibility for the infrastructure, creating disincentives for private procurement of land rights and pushing the State toward greenfield routing for all transmission. CMP bears legal and operational accountability for safety, compliance, vegetation management, outage response, and long-term reliability. Empowering a separate condemning body without operational responsibility misaligns incentives and heightens risk of litigation and public opposition—risks that slow down transmission projects and increase costs.

Regional Coordination and Reliability

Regional transmission planning and service are governed by the ISO New England Open Access Transmission Tariff (OATT) and evolving FERC orders, with ISO-NE currently implementing new long-term planning requirements under FERC Order No. 1920, reflecting decades of federal focus on reliability, public policy, and economic needs. By its defined purpose, the bill would supplant ISO New England and in-state transmission owners. ISO-NE has approximately 600 employees and a 2026 budget of roughly \$330 million, and even a fraction of that cost shifted to Maine would be substantial given current regional economies of scale. As noted previously, there is no framework for funding the proposed activities delegated to the new Authority. The bill authorizes the Authority to set transmission corridors, technologies, and priorities while utilities remain responsible to PUC, ISO-NE, NERC, and FERC standards, creating fragmented accountability that threatens reliability. It is questionable whether the Authority could operate like this or whether it would be required to register as a public utility with FERC and be subject to all of the compliance requirements that every other transmission owner is subject to.

Path Forward

Maine is already advancing grid modernization, non-wires alternatives, storage integration, and regional transmission investments within frameworks that align with regional requirements and protect Maine customers. Adding an Authority with overlapping responsibilities, broad financial powers, and eminent domain introduces uncertainty at a time when clarity and coordination are essential to meet growing energy demand.

Conclusion

Maine’s T&D utilities support the State’s clean energy goals and are committed partners in decarbonization, transmission expansion, and enabling renewable development, but the bill’s structure would undermine predictability, raise costs, complicate regional coordination, and weaken accountability for reliability. We respectfully urge the Committee not to advance this legislation.

Thank you for your time and consideration. I would be pleased to answer any questions.