



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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Testimony of the Maine Public Utilities Commission

Neither For Nor Against

LD 838, An Act to Establish the Maine Clean Energy Authority

January 20, 2026

Senator Lawrence, Representative Sachs, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying neither for nor against the sponsor's amendment to LD 838, An Act to Establish the Maine Clean Energy Authority on behalf of the Public Utilities Commission (Commission).

LD 838 creates the Maine Clean Energy Authority to develop, plan, coordinate, finance and build transmission and energy infrastructure. While any mechanism to lower the cost of building transmission and energy infrastructure for ratepayers is welcome, we encourage the Committee to carefully consider whether LD 838 as drafted can most efficiently achieve that outcome.

It appears that the Authority would be both soliciting and financing a wide range of projects, but it would not take an ownership interest in those projects. Some of these responsibilities are duplicative of work currently done by other entities, particularly around the solicitations and regional coordination of transmission projects. Is the intent to move those responsibilities to the Authority or is some additional coordination envisioned? By taking no ownership interest, is the goal simply to reduce the cost of capital below rates currently available to utilities, or also to displace the return on equity for the portion of transmission projects financed?

It will be important to ensure the Authority has appropriate expertise at both the Board and staff level given the complexity of its charge. We would also encourage looking at other statutorily created independent entities to ensure appropriate mechanisms for funding administrative costs and addressing freedom of access issues.

We do note that LD 838 does not appear to contemplate the Commission having a role relating to the duties of the Authority. For example, it does not appear to have the Commission reviewing either the requests for proposals issued by the Authority or contracts executed by it. This differs from solicitations conducted by the Department of Energy Resources (DOER).

As you consider shifting authority related to transmission to the Authority, we would like to provide some background on the extensive work the Commission has been engaged in over the last several years. After Maine's Governor joined four other New England governors in calling for an improved partnership with ISO-NE to support state energy policies in 2020, a regional "Vision Statement" was developed by the New England States Committee on Electricity (NESCOE), at which Chair Bartlett serves as Maine's representative, working in close consultation with DOER. The Vision Statement

emphasized the need for ISO-NE to develop a regional transmission plan aligned with the states' energy goals. As a result of that effort, a Long-term Transmission Planning Process (LTTP) was developed. This process includes regular long-term studies looking out 30 years as well as the ability for the states, through NESCOE, to request that ISO-NE issue requests for proposals for needs identified in the long-term study.

The first of these studies is known as the 2050 Transmission Study, which was issued by ISO-NE in early 2024, identifying transmission infrastructure needed to maintain reliability during the clean energy transition. One of the needs identified, which would be important in most scenarios involving significant load growth in the region, was improving the capacity to move electricity north/south. The Commission's regional team, including Chair Bartlett, attorneys and analysts, worked with the other states and DOER to prioritize not just the additional north/south capacity, but also upgrades required to connect at least 1,200 MW of onshore wind. On December 18, 2024, NESCOE issued a letter formally requesting ISO-NE proceed with the first LTTP solicitation with those goals in mind. ISO-NE responded swiftly and issued the first RFP under the LTTP in March 2025 and received submissions from transmission developers in September 2025. ISO-NE expects to make a selection by September 2026.

The Commission also did extensive work to align our Northern Maine procurement with the LTTP process and to coordinate with other states. The Northern Maine project, which includes building both a transmission line and new generation, is now truly a regional effort with four other states collaborating with us. This multi-state coordination will protect Maine ratepayers by sharing both the costs and the risks associated with building these projects.¹ The Commission intends to continue collaboration with other states in coordination with DOER to lower costs for Maine ratepayers.

It is unclear if LD 838 intends for the Authority to be the primary entity engaging in this type of regional work as it relates to transmission development and/or generation. We think it is important to clarify the role of the Commission vis-à-vis the Authority on any areas of overlapping responsibility.

We look forward to hearing more about the intent behind and goals for this legislation, which may enable us to offer additional input ahead of the work session. I would be happy to answer any questions or provide additional information for the work session.

¹ Going forward, the new LTTP process will create additional opportunities to work regionally to build transmission projects with significant regional benefits.