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## STATE OF MAINE PUBLIC UTILITIES COMMISSION

Harry Lanphear ADMINISTRATIVE DIRECTOR

**Testimony Neither For Nor Against** LD 170 - An Act Pertaining to Transmission Lines Not Needed for Reliability or Local Generation

February 25, 2021

Senator Lawrence, Representative Berry, members of the Joint Standing Committee on Energy, Utilities, and Technology, the Public Utilities Commission (Commission) testifies neither for nor against LD 170, An Act Pertaining to Transmission Lines Not Needed for Reliability or Local Generation.

LD 170 establishes requirements for the approval of construction by transmission and distribution utilities of "nonessential transmission lines," defined as a transmission line that is not being constructed primarily for reliability purposes or to serve retail customers in Maine. In addition to the approval requirements already contained in statute, the bill requires that approval of nonessential transmission lines must provide a minimum benefit to ratepayers of equal value to the ratepayer-funded physical assets used to construct the line. The Commission notes that this requirement can be reasonably implemented and that it is consistent with prior Commission precedent.<sup>1</sup>

Section 5 of the Act directs the Commission to conduct an inquiry and convene a stakeholder group to examine issues regarding the development of nonessential transmission lines. The Commission notes that it has limited resources and already has major proceedings initiated for renewable resource procurement, distributed resource interconnections, and grid modernization. It is also likely that additional Commission proceedings will results from legislation during this session. The Commission thus asks the Committee to be mindful of the timing of the stakeholder process given existing priorities for 2021 as well as the Commission's inquiry into grid modernization (PUC Docket No. 2021-00039), which will consider "nonessential" transmission line issues.

<sup>&</sup>lt;sup>1</sup> For example, in the New England Clean Energy Connect (NECEC) approval proceeding in PUC Docket No. 2017-00232, CMP was required to provide a ratepayer credit representing amounts paid in transmission rates for the corridor to be used by the project. LOCATION: 101 Second Street, Hallowell, ME 04347

Sincerely,

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Garrett Corbin Legislative Liaison

cc: Energy, Utilities, and Technology Committee Members Deirdre Schneider, Legislative Analyst