



Testimony in Support of LD 170, An Act Pertaining to Transmission Lines Not Needed for Reliability or Local Generation

by

Sue Ely, Climate and Clean Energy Policy Advocate and Staff Attorney

February 25, 2021

Senator Lawrence, Representative Berry, and distinguished members of the Energy, Utilities, and Technology Committee. My name is Sue Ely and I am the Climate and Clean Energy Policy Advocate and Staff Attorney for the Natural Resources Council of Maine (NRCM). I am pleased to testify today in support of LD 170, An Act Pertaining to Transmission Lines Not Needed for Reliability or Local Generation.

LD 170 creates an important safeguard for Maine ratepayers to ensure that ratepayers are reimbursed for the value of any ratepayer-funded physical assets used by transmission and distribution utilities (T&D Utilities) to develop nonessential transmission lines. This bill would not apply to transmission lines that are necessary for reliability or to provide electricity to retail customers in Maine; it would also not apply to generator interconnection transmission facilities. Instead, this bill is designed to narrowly address a small subset of transmission projects that are constructed as merchant lines to ensure that ratepayer-funded assets are not used by T&D Utilities for shareholder gain without reimbursement.

This bill would not have retroactive application but is informed by questions raised in the recent evaluation of Central Maine Power's application for a certificate of public convenience and necessity by the Maine Public Utilities Commission (PUC). In that case, some assets that had been purchased and maintained using ratepayer funds were utilized by Central Maine Power in its proposed New England Clean Energy Connect Project. In that case, for better or for worse, the details of how to compensate Maine ratepayers for those assets was worked out in the stipulation process. LD 170 would bring greater transparency and order to the process of identifying and valuing ratepayer-funded physical assets used by T&D Utilities to construct nonessential transmission lines.

In reviewing this legislation, we have identified two potential revisions that we believe would improve LD 170. First, we suggest revising the definition of nonessential transmission lines to also exclude transmission lines to connect in-state renewable energy projects and projects supporting Maine's clean energy goals. Second, we suggest clarifying how the PUC should identify and value ratepayer-funded physical assets.

I appreciate this opportunity to testify in support of this legislation and would be glad to answer any questions you may have.