



**Testimony Neither for Nor Against LD 1634
An Act To Create the Maine Generation Authority
May 5, 2021**

Senator Lawrence, Representative Berry, and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is James Cote and I am here today on behalf of Versant Power to testify neither for nor against LD 1634.

Versant Power is interested in moving forward on climate and clean energy policy objectives that are broadly supported and the result of robust and inclusive long-term planning processes. While LD 1634 may contain concepts worthy of further consideration, we believe that major policy proposals such as this require more vetting and dialogue than the remaining weeks of this legislative session will allow.

Specific to §3210-H, the Maine Generation Authority surcharge, we also want to specifically point out that this new fee would be added to the retail electric rates of *all* transmission and distribution utility customers in Maine. This fee is proposed to be added to customer bills regardless of the quantifiable impact that the specific projects procured by the Authority will have on customers and rates in each respective utility. This means, for example, that conceivably, customers in the Northern Maine Independent System Administrator (NMISA) service territory could be subsidizing projects in southern Maine ISO-NE service territory, despite the fact that the two service territories are not connected.

Versant Power believes that it is critical for Maine to engage in an inclusive, long-term, engineering-based energy planning process and we stand ready to be a collaborative partner in that regard. The time is now to take on this important work. We encourage the committee to thoroughly evaluate the implications- positive or negative- of any ambitious policy proposal, which will reduce the level of risk to customers and our climate in the future.

Thank you for your consideration. We would be pleased to follow up with any information that may be helpful for the work session.