

**Testimony before the Committee on Energy, Utilities and Technology  
Neither For Nor Against Representative Runte’s Proposed Sponsor Amendment to  
LD 952: An Act to Create a 21st-Century Electric Grid  
April 13, 2023**

Senator Lawrence, Representative Zeigler, and members of the Committee on Energy, Utilities and Technology, my name is Phelps Turner, and I am a senior attorney with Conservation Law Foundation (CLF). I appreciate this opportunity to testify neither for nor against Representative Runte’s Proposed Sponsor Amendment to LD 952, An Act to Create a 21<sup>st</sup>-Century Electric Grid.

CLF, founded in 1966, is a public interest advocacy group that works to solve the environmental challenges threatening the people, natural resources and communities in Maine and across New England. In Maine for almost four decades, CLF is a member-supported organization that works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine’s economy and environment; and equitably address the climate crisis.

CLF supports some of the concepts advanced in the sponsor amendment to LD 952, including coordinating energy planning efforts across state agencies and optimizing grids for efficiency, equity, reliability and customer service. Before the Committee votes ought to pass on LD 952 as amended, however, CLF urges the Committee to consider several suggestions for improving and strengthening the bill, including specifying the purpose of the Distribution System Operator (DSO), and clarifying several of the concepts advanced in the bill.

**The Scope and Purpose of the DSO Should be Made Explicit.**

While Section 1 of LD 952 as amended identifies several functions for the DSO, it is not clear which distribution grid challenges the DSO is being designed to overcome. The bill should be further amended to include a clear description of the scope and purpose of the DSO, including how it and its authority relate to the Public Utilities Commission (Commission), the Governor’s Energy Office (GEO), the distribution utilities and ISO New England. This will help ensure the DSO improves existing grid planning and operation, rather than adds to existing shortcomings.

Under Section 2 of LD 952 as amended, the GEO shall, after receiving the consultant’s proposal outlined in Section 1, describe the DSO’s role in accelerating the achievement of Maine’s climate goals and growth toward distributed energy resources. If a DSO is established, this role will be a critical aspect of its work, and the role should thus be added as a required function under Section 1. The Committee should also consider an explicit reference to Maine’s climate and clean energy mandates, including 35-A M.R.S. § 3210 and 38 M.R.S. § 576-A.

## **The Language of LD 952 Should be Clarified and Strengthened.**

Current distribution grid planning and operation in Maine is insufficient for meeting the critical task of establishing and maintaining a reliable, affordable and clean grid, and CLF supports proposals like those outlined in LD 952 to help improve the situation. Before the state invests money in the design proposal outlined in Section 1 of LD 952 as amended and the design analysis outlined in Section 2, the Committee should further amend the bill to ensure that the GEO, the Commission, the distribution utilities, ISO New England and all impacted stakeholders have a clear understanding of what the Legislature intends the role of the DSO to be, and how the bill impacts the current roles of the Commission, distribution utilities and ISO New England.

Under Section 1(1)(C) of the bill, the DSO must be designed to “provide electricity market administration,” but there is no indication of what markets the DSO would administer. If this is referring to the market for distributed energy resources mentioned in Section 1(2)(B), then that should be specified. If the section is referring to other markets, those must be specified.

Section 1(2)(A) of LD 952 as amended indicates that the DSO may be designed to act as the “sole interface” with ISO New England and transmission grids in the state. This proposal raises key questions about how the DSO will access distribution utility data, and how existing interactions between distribution utilities and ISO New England will be impacted. These issues should be clarified before proceeding further.

As proposed, Section 1(2)(C) contemplates the DSO may be designed to perform “integrated distribution planning.” This section must be further amended to explain how this proposed DSO function relates to the integrated grid planning required by P.L. 2021, Chapter 702 and being developed by the Commission in Docket No. 2022-00322.

The process by which the GEO will make recommendations concerning whether the states should establish the DSO, as contemplated in Sections 2(5) and 2(6), must be outlined in detail, so that the recommendations and their underlying rationale to be transparent. As drafted, Section 2(6)(C) indicates that if the GEO recommends the establishment of a DSO, then its analysis should include a description of the regulatory authority that should be provided to the DSO. This task of outlining the DSO’s authority should be a part of the design proposal outlined in Section 1, and should be part of the scope and purpose discussed in our testimony above. The regulatory authority of the DSO is a threshold issue that must be assessed at the outset.

The design processes outlined in Sections 1 and 2 of LD 952 as amended should be further amended to allow for meaningful stakeholder engagement during those processes, to ensure accessibility and transparency, and allow for input from impacted stakeholders.

Thank you for the opportunity to submit testimony neither for nor against LD 952.