



Testimony in Opposition to LD 1895: “An Act Regarding the Procurement of Energy from Offshore Wind Resources”

Senator Lawrence, Representative Zeigler, and the distinguished members of the Committee on Energy, Utilities, and Technology, my name is Nick Murray and I serve as director of policy for Maine Policy Institute. We are a free market think tank, a nonpartisan, nonprofit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify **in opposition to LD 1895**.

Misguided politicians running the states within our regional electric grid, especially in Maine, are rejecting reliable base-load power sources like nuclear and hydroelectric power in favor of intermittent, unreliable sources like wind and solar. Fundamentally, this ethos has restricted supply and led to New Englanders paying the second-highest electricity rates in the nation.¹ Our energy policy is sorely off-track.

Maine ratepayers are still reeling from two record year-over-year rate increases since 2021,² face yet another \$9 monthly hike on average this July, and are hearing more incremental increases are coming to fund investments by Central Maine Power (CMP) into the grid.³ Price hikes do not look to be abating, given sustained inflation resulting from massive federal money-printing.

If that wasn't enough, our state Public Advocate is warning that well-intentioned “green energy” programs like community solar will make the situation for ratepayers even worse.⁴ Meanwhile, the Mills administration is openly acknowledging that it is blocking the entrance of cheaper power into the market in favor of protecting its friends in the biomass industry.⁵ And now, it has set its sights on propping up another wasteful energy generation source: offshore wind.

Wind power only has an average capacity factor of 35%, meaning wind arrays only produce energy about a third of the time. Though slightly better than solar's 25% capacity factor, natural gas plants are double that of wind, and nuclear is nearly triple.⁶ The obvious difference is that natural gas and nuclear are baseload energy sources, and without them, our power bills would be much higher than they are now.

¹ U.S. Energy Information Administration, EIA.gov

² <https://www.maine.gov/energy/electricity-prices>

³ <https://www.pressherald.com/2023/05/01/cmp-pursues-closed-door-settlement-in-rate-hike-request/>

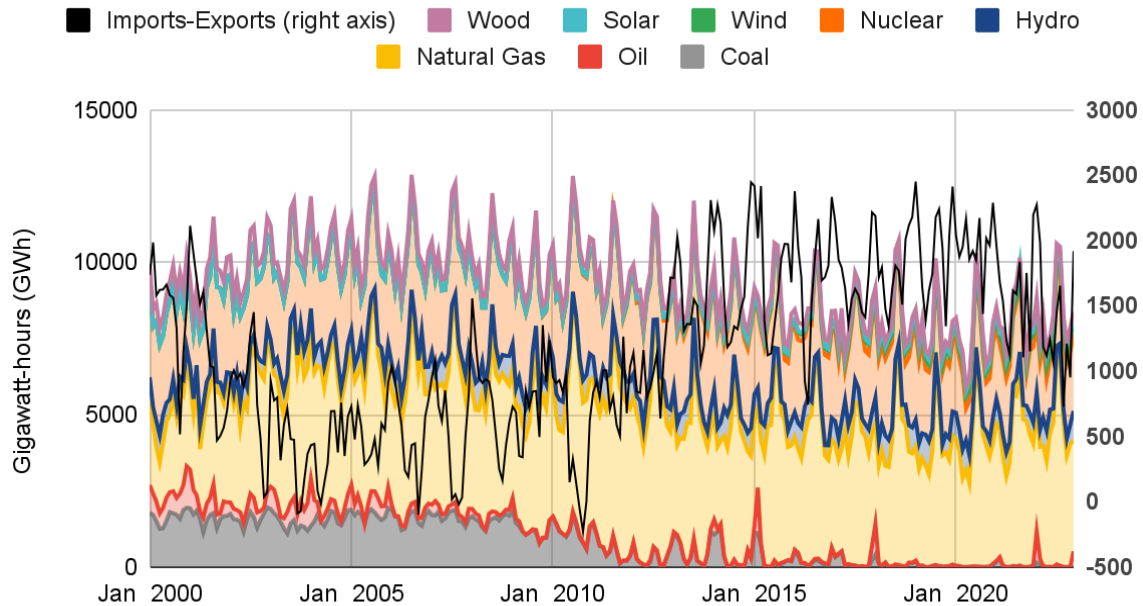
⁴ <https://www.bangordailynews.com/2023/04/13/mainefocus/maine-community-solar-costs-harwood/>

⁵ <https://mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=169595>

⁶ <https://www.energy.gov/ne/articles/what-generation-capacity>

The graph below portrays data on the changing mix of power generation sources from ISO-NE, New England’s regional grid operator, from 2000 to 2022. At first glance, a few things become apparent. The first is that the region is producing significantly less power in recent years than it was before 2014, which has corresponded with greater imports, made up primarily of natural gas sources from New York and hydroelectric from Quebec and New Brunswick.

ISO-NE Monthly Power Generation By Source, 2000-2022



Other takeaways include that overall power generation within the region is clearly much less in recent years. In-region natural gas production has made up for the reductions in electricity created from coal, oil, and nuclear power generators, but two nuclear plants have closed in the last 10 years, and following two more closures in the 1990s.

One may ask, “where is wind power in all this?” While wind has been growing as a generation source, in 2022, it made up less than 4% of all energy produced within ISO-NE. Amid all of the shifting generation sources within New England, wind turbines merely made up for the reduction in burning wood for power over the years. It is simply not a feasible substitute for reliable, base load sources like natural gas, hydroelectric, and nuclear.

Since it is costly and physically difficult to store energy for long periods of time, if wind turbines and solar panels generate power when it is not needed, without sufficient battery storage, it will be wasted. Instead of banking the future of our economic stability

and quality of life on unreliable energy sources and yet-to-be-developed technology,⁷ lawmakers should pursue ways to expand all types of energy production in Maine through a level playing field, not more carve-outs for politicians' donors and their favored energy projects.

Please **deem LD 1895 “Ought Not To Pass”** and spare Mainers from this misguided plan which will cost Mainers in higher fees, taxes, and reduced purchasing power. It will destabilize our energy grid and hike prices even further. Thank you for your time and consideration.

7

<https://www.bangordailynews.com/2023/05/17/mainefocus/maine-renewable-energy-battery-storage-goals-joam4ozkow/>