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May 11, 2010

Ms. Karen Geraghty  
Administrative Director  
Maine Public Utilities Commission  
State House Station 18  
242 State Street  
Augusta, ME 04333

**RE: CENTRAL MAINE POWER CO. & PUBLIC SERVICE OF NEW HAMPSHIRE  
Request for Certificate of Public Convenience & Necessity for the Maine Power Reliability  
Program Consisting of the Construction of Approximately 350 Miles of 345 kV  
Transmission Lines, Docket No. 2008-255**

Dear Ms. Geraghty:

I am writing on behalf of the New England Power Generators Association, Inc. (“NEPGA”) in opposition to sections of the May 7, 2010 proposed agreement between Central Maine Power (“CMP”), the Office of Public Advocate (“OPA”), GridSolar, the Industrial Energy Consumers Group (“IECG”), Conservation Law Foundation (“CLF”), Environment Northeast, Associated Builders & Contractors of Maine, and Competitive Energy Services filed in MPUC Docket No. 2008-255.

NEPGA is the largest trade association representing competitive electric generating companies in New England. NEPGA’s 19 member companies represent over 27,000 (MW) – or nearly 80 percent – of generating capacity throughout New England, and over 2,000 MW of generation in Maine, representing the vast majority of the electric generating capacity in the state. Our five Maine member companies provide over 100 well-paying jobs within the state, while paying over \$5 million annually in taxes.<sup>1</sup> NEPGA’s mission is to promote sound energy policies which will further economic development, jobs and balanced environmental policy.

Although NEPGA is uncomfortable with a number of sections of the stipulated agreement, we would like to highlight two components, in particular. First, NEPGA is concerned with Paragraph 5 on Page 10 that states:

The Parties agree that the Settlement MPRP will substantially improve the reliability of the power system in Maine and the region. In particular, the Settlement MPRP will

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<sup>1</sup> NEPGA Maine companies include Brick Power Holdings, Brookfield Renewable Power, Dynegy, NextEra Energy Resources and PPL EnergyPlus.

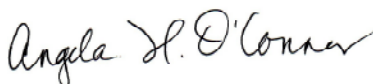
address reliability and operational issues identified by CMP and ISO-NE that relate to the potential unavailability of generation in Maine. Although the Parties do not necessarily agree with the validity or appropriateness of the planning assumptions used by CMP and ISO-NE in the MPRP analysis as to the availability of Maine generators, ***the Parties do agree that the Settlement MPRP is likely to eliminate the conditions that might otherwise indicate or contribute to the real or perceived need for a determination that one or more Maine generation units is needed for reliability during the current 10-year planning horizon.***

In particular, NEPGA is concerned with the tone of the highlighted section. In our view, signing parties are suggesting that if the MPRP is built, reliability conditions will be completely mitigated and the need for reliability-must-run (“RMR”) units in Maine will be completely resolved. While NEPGA understands that one of the benefits of the MPRP is to improve the system reliability and reduce the need for RMR contracts, NEPGA does not believe that this outcome is an absolute certainty over the planning horizon.

Second, NEPGA has significant concerns with how the Stipulation addresses the development of a Smart Grid/Non Transmission Alternative Pilot Plan in Section B on page 11 of the Stipulation. While NEPGA is not opposed to the language in the Stipulation stating that the Parties agree to pursue steps to facilitate development of a smart electric grid in Maine and demonstration of the feasibility of non-transmission and smart grid based alternatives to transmission, NEPGA has concerns with the Stipulation language as currently written which would designate GridSolar as the sole entity to enter into contract with CMP for the development of a pilot plan. NEPGA believes that a better approach to developing a pilot would be through a competitive solicitation process. Simply designating GridSolar as the provider of the pilot program without utilizing a competitive RFP process removes the opportunity to explore proposals from other entities which may be more economically beneficial to the ratepayers of Maine. Furthermore, not only is an open RFP process prudent to ensure that the most economically viable proposal available is developed, it may also provide an opportunity to explore other alternatives to a smart grid pilot program that have not yet been vetted.

Thank you for the opportunity to provide written comments on this matter.

Sincerely,



Angela M. O'Connor  
President  
New England Power Generators Association, Inc.