Relevant guidance

- From Ethan: "To draft language addressing next steps for the interim report regarding item 5 (…holistic grid planning…)"

- From Legislature (P.L. 2021, Ch. 390):
  Sec. 4.2. By January 1, 2022, the Governor's Energy Office shall submit an interim report to the Joint Standing Committee on Energy, Utilities and Technology that identifies issues that need further consideration or require additional resources including funding to complete and that includes recommendations and any proposed legislation to implement those recommendations that are supported by a majority of stakeholders regarding:
  (A) **How the State should undertake the adoption and implementation of a forward-looking, holistic grid planning process** that allows for input from stakeholders and provides key actors with the ability to more strategically make system operations, planning and investment decisions.
  (C) How to cost-effectively incentivize net energy billing arrangement project diversity by …
  (6) Including recommendations regarding **how information from a holistic grid planning process can be included to improve a distributed generation project program until its conclusion**.

Initial thoughts

- As indicated in the statute, the relationship between distributed generation project programs and holistic grid planning is of key interest to the Legislature (see ss. 4.2(A), 4.2(C)(6)).

- By January 1, 2022, the DG Stakeholder Group must develop recommendations that are supported by a majority of the stakeholders on the holistic grid planning issues highlighted by the Legislature.

- To satisfy this requirement, the Holistic Grid Planning Subgroup proposes the next steps for developing those recommendations:
  1. **Identify categories of recommendations required by the statute for initial consideration by DG Stakeholder Group.**
  2. **Identify individual recommendations within those categories for initial consideration by DG Stakeholder Group.**
  3. **Modify individual recommendations based on feedback for final consideration by DG Stakeholder Group.**

- Potential categories of recommendations / proposed individual recommendations:
  - **Recommendations on how the State should undertake the adoption and implementation of a forward-looking, holistic grid planning process:**
    - **Initiate PUC/GEO-led power sector transformation process, as recommended by Maine Climate Council.**
    - **Review findings of PUC-led grid modernization docket, in particular consultant report due in February 2022.**

        - **Review and revise holistic grid planning processes recommended by MURRDI group to reflect: (1) input from PUC/GEO-led power sector transformation process, and (2) findings of PUC-led grid modernization consultant.**
        - **Adopt and implement a PUC-led holistic grid planning process.**
    - **Recommendations on how information from a holistic grid planning process can be included to improve a distributed generation project program:**
        - **Information from holistic grid planning that should be included in a DG project program: load forecasting that accounts for electrification; load flexibility mechanisms and impacts thereof; state's economic, equity, clean energy and climate objectives.**
        - **Inclusion of this information will inform more accurate identification of and planning for: the amount of DG that will be required; the most cost-effective locations for future DG and the most cost-effective distribution system upgrades required to serve future DG; methods of interconnection of DG; allocation of costs of DG development**

Supporting references

- MURRDI Report ("Maine should investigate, adopt, and implement an all-encompassing, long-term, strategic grid planning process in coordination with existing proceedings and efforts such as the Maine PUC Grid Modernization effort, the Maine Climate Action Plan, and the Governor's Energy Office Renewable Energy Goals Market Assessment.")

- PUC grid modernization docket ("The Commission initiates and will conduct an in-depth, structured, and comprehensive examination of the future design and operation of the electric distribution system in Maine to accommodate both the integration and operation of increasing amounts of DER and the potential for substantial load growth resulting from electrification efforts to meet climate change initiatives and objectives.")

- Climate Action Plan ("The [power sector transformation] process will be managed by the Governor's Energy Office in coordination with the Maine Public Utilities Commission. Areas for consideration should include: utility structure, load management, data and information access, grid modernization and expansion, non-wires alternatives, interconnection, distributed energy resources, aggregation, equitable cost allocation, and rate design, integrated grid planning, regional and local electricity markets, regional collaboration, reliability and resiliency, and changes in law and regulation.")

- GEO Renewable Energy Goals Market Assessment