

Maine Data Center Advisory Council Meeting Summary Notes

July 9, 2026 – Energy Focus

Overview

The Maine Data Center Advisory Council (the Council) held its third meeting on July 9, 2026, from 9:30am-12pm. The Council was established by Executive Order of Governor Janet Mills in April 2026. It will provide strategic input, facilitate coordinated state planning, and evaluate policy tools to address large-scale data center opportunities and related benefits and risks to the State of Maine.

The meeting was held virtually via Zoom, and brought together 17 members of the Advisory Council, 5 project team members, external presenters from the Lawrence Berkeley National Laboratory and ISO New England, and 114 webinar attendees. The meeting was facilitated and supported by the Consensus Building Institute.

The objective of this meeting was to discuss energy impacts associated with large-scale data center development in Maine. Agenda items included:

- Recap of the previous meeting on environmental impacts.
- Recap of public survey results and opportunities for additional feedback.
- A Panel on Data Center Energy featuring presentations from Lawrence Berkeley National Laboratory, the Maine Department of Energy Resources, the Maine Public Utilities Commission, and Independent System Operator New England
- Council discussion and public input opportunities
- Next steps

The meeting agenda, slides, and recording are available at www.maine.gov/energy/datacentercouncil

Below are high-level summary notes from the meeting.

Welcome and Introductions

Maine Department of Environmental Protection (DEP) Commissioner and Advisory Council Co-Chair Melanie Loyzim welcomed Council members and other participants. She reviewed key takeaways from the Council's second meeting on June 23, which focused on environmental impacts of large-scale data center development, and included a detailed overview and discussion of existing state and federal environmental regulations that are applicable to large-scale development. Commissioner Loyzim also reviewed updated results from the Council's second public survey on environmental considerations. Among the key takeaways, Commissioner Loyzim noted that existing state and federal environmental laws address site construction, wetlands, habitat, water withdrawals, wastewater discharges, air emissions, noise, and wastes, and Council member recommendations included clarifying the permitting process

and considering requirements for noise, infrasound, water consumption and cooling fluids as ways to strengthen Maine's environmental regulatory framework for data centers.

Council members offered the following reflections on the previous meeting:

- Public and presenter feedback on environmental topics has been consistent and clear.
- Existing environmental regulations are comprehensive and will address many aspects of data center development.
- As this process moves forward, the Council should:
 - Ensure that perceived gaps in regulation or oversight are genuine, and that suggested solutions do not add additional layers of complexity.
 - Clarify points of overlap across regulatory processes and increase transparency about how those processes are interrelated.
- Some members expressed that industry-specific rules might be useful in light of recent reductions in federal environmental protections. DEP staff responded that Maine's state level regulations are robust. For example, Maine has its own statutory definition of Waters of the State that encompasses all surface and subsurface waters, ensuring consistent jurisdiction to protect resources even as federal definitions have changed.

Pre-Meeting Survey Results on Energy Priorities

Facilitator Stacie Smith, Consensus Building Institute, reviewed initial results from the Council's third public survey, which focused on energy impacts associated with large-scale data centers. The survey remained open through July 16, 2026, and included questions about data center energy regulation, as well as rankings of priority topics. Survey results are included in Annex 1.

Data Center Energy Panel

Maine Department of Energy Resources (DOER) Acting Commissioner and Advisory Council Co-Chair Celina Cunningham introduced the energy panel and set the context for the presentations and discussion.

Maine's energy system involves multiple entities with distinct regulatory roles. Distribution infrastructure is regulated by the Maine Public Utilities Commission. Transmission infrastructure is regulated under federal jurisdiction, primarily by the Federal Energy Regulatory Commission (FERC). Wholesale electricity markets are administered by ISO New England (ISO-NE), a nonprofit entity overseen by FERC. Energy supply is a competitive market subject to state laws and policies, including Maine's Renewable Portfolio Standard and Clean Energy Standard.

While Maine has not yet experienced large-scale data center development, there is substantial public concern about data center impacts on energy costs, implications for grid reliability, and impact on the state's clean energy goals. The panel featured four presentations on different aspects of energy and large-scale data centers, summarized below.

Data Centers: Loads, Siting and Tradeoffs

Ian Hoffman, Co-lead of the Department of Energy/Lawrence Berkeley National Laboratory (DOE/LBNL) Center of Expertise for Data Center Energy, presented national and regional context on data center energy needs, load characteristics, and the energy-water tradeoff, along with observations specific to Maine and New England. Nationally, data centers accounted for 4.7% of electricity use in 2024. This is projected to rise to 11.8% by 2030. Data center development favors areas with low power costs, land and proximity to fiber cables. Given the comparatively high cost of land and power in New England, data center development in this region has been minimal compared to other states like Texas, Pennsylvania and Virginia.

There are several types and sizes of data centers. Sizes can range from small enterprise or on-premise facilities (already common in Maine) to colocation, hyperscale, neocloud, and edge facilities. Some larger data centers have very high energy requirements and can produce load swings that pose challenges to grid stability, such as AI training data centers. This may not be a challenge posed by mid-sized facilities, which primarily use mixed-use loads.

It is important to consider where Maine fits into the national data center development context. Siting deterrents in Maine include higher regional power costs, distance from fiber and population centers, and slow interconnection/permitting timelines. However, Maine's colder climate, relatively cheap land, and water supply could draw in developers. The state may also experience indirect effects of increased development in New England. Significant demand growth could increase or decrease energy costs, depending on when and where it occurs. Additionally, higher demand for equipment and skilled labor can lead to higher costs and increased delivery timelines.

Two points were noted in closing. First, that data centers have the ability to both stress and support the grid, such as supporting better utilization of the grid. Second, that data center water and energy use are design choices with tradeoffs. Evaporative cooling systems are more energy efficient but use more water. Closed loop systems, which the industry is moving toward, require less water but more energy.

Maine Department of Energy Resources Presentation

Acting Commissioner Cunningham provided an overview of the components of electricity bills in Maine, energy supply and markets, demand trends, and policy considerations related to potential data center development. Celina emphasized that across the energy system, affordability and reliability are two key considerations.

In New England, generators compete to sell electricity in wholesale markets. Electricity is delivered to customers by the electric transmission and distribution grid. Large electricity users (including large data centers) typically connect directly to the transmission system rather than connecting to the distribution system.

Electricity costs are determined by the cost of delivery and supply which have been trending upward in recent years, though there will be a decrease beginning July 1 for most customers in Maine due to storm recovery costs being paid off. Another portion of customer bills recovers

fixed and variable distribution costs. Stranded costs are costs associated with certain state programs or policies and are mostly recovered through the fixed charge, but also partially through the volumetric per-kilowatt hour rate. There are also costs associated with regional transmission network service which are spread across the six New England states, and costs associated with local network service which may vary by utility.

About 90% of Maine residential customers use the standard offer for retail electricity supply, the price of which is set through a competitive auction administered by the PUC. Other customers purchase electricity at prices that are determined through more complex wholesale markets overseen by ISO-NE, which include day-ahead, real-time, and capacity markets.

Acting Commissioner Cunningham emphasized that adding new large loads to the regional grid, without also adding new supply, can increase the price of electricity. This is because higher demand raises the clearing price in wholesale energy and capacity markets, and the incremental costs of meeting that demand are socialized among market participants, including Maine ratepayers.

Council Members and members of the public have also expressed concern over the type of generation that may be used to meet demand from new large loads. Maine has requirements regarding the use of renewable and clean energy, commonly referred to as its Renewable Portfolio Standard (RPS) and Clean Energy Standard (CES). The state also participates in Regional Greenhouse Gas Initiative (RGGI), a regional market-based effort among Eastern states to reduce carbon dioxide (CO₂) emissions from power plants within each participating state, which has costs and benefits to Maine and other states.

Maine must also consider the potential energy impacts of data centers in the context of the state's energy usage and trends. Electricity demand in Maine and New England has trended downward over the past two decades, even as population and Gross State Product have grown. This is largely due to efficiency gains, industrial closures, and behind-the-meter solar. Industrial electricity sales have also declined significantly, leaving behind underutilized grid infrastructure at old industrial sites. Demand flexibility and demand response programs might improve the utilization of the existing electric grid and avoid costly upgrades.

Acting Commissioner Cunningham highlighted energy policy considerations, indicating conditions under which data centers could increase or decrease electricity costs. She outlined potential state actions including tariffs to protect ratepayers, bring-your-own-generation requirements, and compliance with clean energy laws. She also highlighted potential regional actions, including engaging in the ISO-NE/FERC process to advocate for Maine ratepayer protection, for the Council to consider as their work progresses.

Regulating Data Centers in Maine

Maine Public Utilities Commission (PUC) Chair Philip Bartlett presented on the Commission's existing authority over data centers, regional developments and the open PUC docket exploring data center impacts.

The PUC has jurisdiction over data centers due to their status as large utility service customers. The PUC has a number of tools to assist in regulation: setting utility terms and conditions, requiring a Certificate of Public Convenience and Necessity (CPCN), review of qualifying transmission upgrades triggered by a large load, and rate design, which translates cost responsibility into customer bills. The PUC also has oversight of regulated water and gas utilities, which is important because data centers can be significant water consumers and sometimes pair with on-site gas generation. As a single large-load siting decision can affect electric, water, and gas systems simultaneously, the Commission is well positioned to evaluate large loads across all three systems.

Chair Bartlett discussed potential requirements for large-load protections and noted that special rate contracts may be a useful tool given the significant variability across individual data center proposals. As each project and location is unique, it is important to avoid siting a data center before all the associated costs are fully understood.

Under Docket 2026-00142, stemming from the Governor's Executive Order, the Commission is conducting an informal investigation on the impact of data centers, and how best to safeguard customers from rate increases. The Commission will investigate the scale of potential data center buildout in Maine, emerging infrastructure needs, whether existing tariffs, interconnection rules, and financial assurance requirements are sufficient to protect other customers, and what new processes or reforms may be needed. The Commission is currently reviewing public comments submitted via the docket through June 29. While the initial comment deadline has passed, comments are still welcome and will be considered.

Chair Bartlett also provided an update on regional developments, including a recent proceeding FERC opened on ISO-NE's rules around large-load interconnection and responsibility. The New England states, through NESCOE, have released a statement on large load integration, and are committing to working with stakeholders to balance economic opportunity and risk, while maintaining grid reliability.

Planning for Large Loads in New England

Melissa Winne, Lead State Policy Advisor for External Affairs at ISO-New England (ISO-NE), presented on the ISO's role and how it is preparing for potential large-load growth in the region.

Melissa discussed the role and functions of the ISO. ISO-NE operates the region's high-voltage transmission system, administers New England's wholesale electricity markets, and conducts long-term systems planning. They do not oversee retail electricity, own grid infrastructure, have jurisdiction over fuel infrastructure, or control siting or resource-mix decisions.

ISO-NE is closely monitoring potential new large loads and is developing methods to analyze their potential impact on future demand. These loads are commonly referred to as step loads, which include data centers as well as crypto mining, widespread electrification, and EV charging depots, among others. The organization recently released its 2026 Capacity, Energy, Loads, and Transmission (CELT) report, which includes a large-load forecast for the New England grid.

Currently, large-load activity is limited in New England, with minimal near-term impact expected before 2027-2028. In the longer term, large loads could add approximately 110-130 MW to regional peak demand by the 2030s-2040s, and consume approximately 800 GWh from 2030-2035, rising to approximately 1,000 GWh in the 2040s. ISO-NE is preparing for these potential additions through engagement with New England transmission owners, communication with state policymakers and regulators, and research into the magnitude, timing, and likelihood of future large-load impacts.

Finally, ISO-NE is also preparing to respond to the show-cause order issued by FERC on June 18. ISO-NE and the region's transmission owners intend to request a 90-day abeyance as part of its compliance and will file information on resource adequacy in the context of large loads by July 20, as directed.

Summary

Acting Commissioner Cunningham closed the panel with a summary of immediate next steps and areas for the Council to consider:

- Gather insights through the Maine PUC investigation and learn from national and regional experts to determine feasible policy approaches.
- Engage in the ISO-NE/FERC process and advocate for Maine ratepayer protection, with an emphasis on reliability, transmission cost allocation, and resource adequacy.
- Consider mechanisms such as tariffs to further protect ratepayers and maximize benefits, mechanisms to encourage grid utilization, requirements for developers to bring their own generation, and requirements for data center developers to comply with Maine's clean energy laws.

Council Discussion

Council members were asked to focus the discussion on the following prompts:

- Clarifying questions for presenters.
- Identifying priority gaps or considerations that need attention from policymakers.

Clarifying questions: A Council member asked how on-site or backup generators at data centers might contribute to the grid and how prioritization is handled. Ian Hoffman noted that some facilities are installing significant on-site generation as part of demand-flexibility commitments, and that even modest curtailment at large facilities during peak times can meaningfully benefit the broader system.

One Council member asked how existing long-term planning processes are used to support decisions about accepting additional large loads. ISO-NE responded that they recently established a process for longer-term studies looking past 2030 to 2050, developed in coordination with NESCOE. This planning extends beyond the CELT report and assesses needs across multiple timeframes to help ensure ongoing grid reliability. The MPUC also clarified that because Maine is a restructured electricity market, resource adequacy is

addressed through regional wholesale markets. Acting Commissioner Cunningham added that DOER is required to publish its Energy Plan every two years, which considers generation trends, forecasts, and gaps to meet future energy demand and needs, including compliance with Maine's RPS and CES.

A Council member asked whether “tethering” arrangements, in which a data center's generation is sited separately from the facility (potentially across state lines), could work in Maine. The MPUC responded that this would depend on the specific situation. For example, if the location of the separate generation site triggered a need for multiple transmission upgrades, that could pose problems and would not address grid reliability concerns. In that case, closer siting may be called for, although not necessarily co-located.

Ratepayer protection, cost allocation and energy supply: A member questioned whether traditional tariff design offers sufficient protection for ratepayers from upfront costs associated with large loads. Additionally, tariffs are generally not site specific, whereas the location of the large load can create positive or negative impacts for ratepayers. Council members discussed the “cost-causer-pays” principle, where the range of costs a data center could impose on ratepayers are identified, and those costs are clearly assigned to the data center. A question was raised regarding whether mechanisms such as special rate contracts, or thresholds that trigger special rate review, could be used to ensure that information is available throughout the planning process, so that stakeholders, regulators, and other actors can coordinate.

Council members discussed whether mechanisms including load-shedding requirements and bring-your-own-generation (BYOG) requirements may be needed. Beyond BYOG requirements, Council members also discussed the possibility of requiring new large loads to “bring your own new clean energy” to ensure alignment with Maine’s clean energy goals. One member raised a concern that new large loads that rely on natural gas for generation could exacerbate wholesale market volatility given gas's role as the marginal-price setter. The group also considered the impact of such requirements on existing and new behind-the-meter generation, and whether these requirements might affect system reliability.

Another member noted that any BYOG requirements could be complicated by a timeline mismatch, stating that new generation can take approximately five years to build, while data centers may seek to begin operating within roughly 18 months, creating risk of upward pressure on capacity market prices. It was noted, however, that larger data center developers may plan over much longer horizons, often around 15 years, matching a facility's typical amortization lifetime.

Considerations for the Council: Several Council members suggested that an adaptive framework, rather than a one-size-fits-all approach, will likely be needed given the range of possible project types and locations. However, this should not preclude a plug-and-play approach where appropriate based on a project's size and power requirements.

A member suggested the Council explore and establish whether there might be a meaningful distinction between data centers and other large loads tied to industries that are important to Maine's economy. Looking ahead, another member noted that if the state moves to permit large scale data center development, it must ensure that training and resources are available for communities so that they are well equipped to review such projects.

Public Input: Mentimeter Poll

Prior to the Council discussion, members of the public were invited to submit questions about the panel presentations via Menti. At the close of the discussion, members of the public were invited to respond to a Menti poll asking how well the discussion answered their energy-related questions (on a 1-5 scale) and what else should be considered essential to protecting Maine ratepayers and grid reliability. Results are available in Annex 2.

Next Steps

- The next Council meeting will focus on community and economic development considerations. It will be on August 13, 2026 from 9:30am-12pm, via Zoom.
- Two virtual Listening Sessions for the Council to hear directly from members of the public have been scheduled on the following dates:
 - Thursday, August 27, 1:00-2:30 pm
 - Tuesday, September 1, 5:00-7:00 pm
- An email newsletter will bring regular updates directly to your inbox.
- Meeting registration links and a link to sign up to the newsletter are available on the [Council webpage](#).

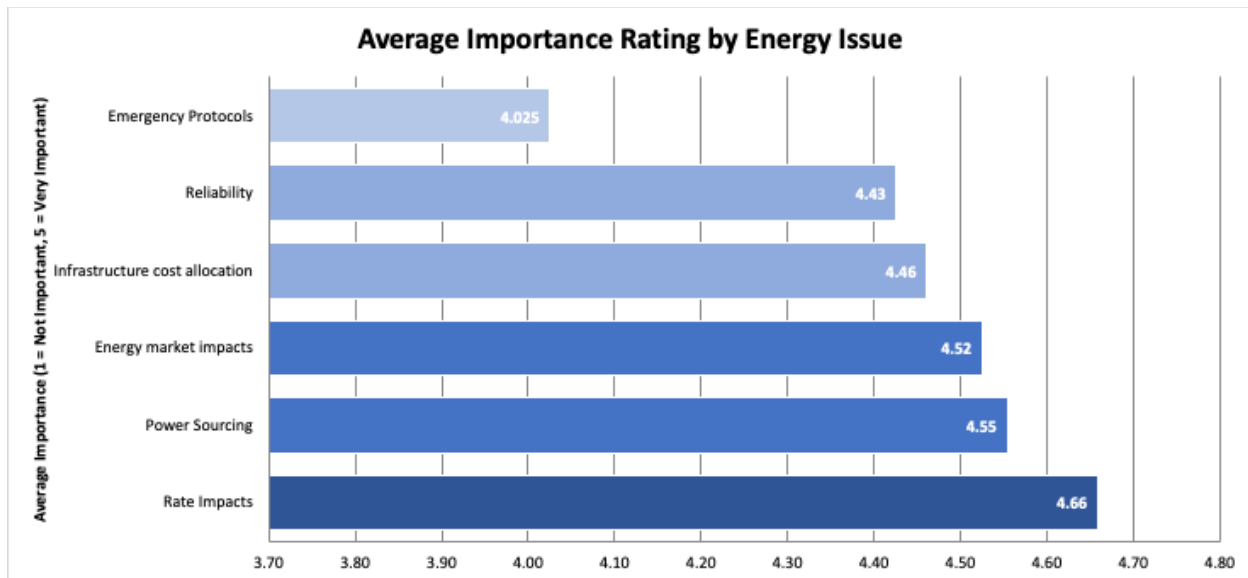
Annex 1: Results from Survey #3

In this survey, members of the public responded to two questions.

1. Rank each of the following energy considerations related to large-scale data centers based on importance to you, with 1 being least important and 5 being most important.
2. The July 9 meeting will include an overview of data center energy needs as well as existing processes in place to plan for and regulate large energy users in Maine and the region. What is one question you have about energy use pertaining to large-scale data centers that you feel the Council should address?

The survey closed on July 16, 2026 and received a total of 205 responses. Responses were submitted from residents across 107 towns and 16 counties in Maine.

Rank each of the following energy considerations related to large-scale data centers based on importance to you, with 1 being least important and 5 being most important.



What is one question you have about energy use pertaining to large-scale data centers that you feel the Council should address?

The survey received 155 responses that reflected the following key themes:

- **Energy cost & rate allocation.** Who pays for data center energy demand? How will increased energy demand impact the already high cost of electricity? Can the state require data centers to cover their own infrastructure/supply costs to protect ratepayers?
- **Grid capacity, reliability & supply.** Can our existing infrastructure absorb the load or large data centers? How will grid capacity be increased? What tools can we use (e.g., flexible rates, on-site generation etc.) to avoid worsening peak demand?
- **Regulatory oversight and public process.** What rules will govern data center power access, emissions, and self-generation? How can we guard against facilities finding loopholes in regulations? What mechanisms exist to incorporate public feedback on this issue into policy making?
- **Use of clean energy.** How much energy will be supplied by renewable sources, and can this be a requirement? Can we ensure that backup generators are also powered by clean energy? Will data centers be able to achieve carbon neutrality?
- **Measurement, transparency & accountability.** How will energy use be measured and where/how often will metrics be reported? Will data centers be held accountable for contributions to greenhouse gas emissions?

Annex 2: Mentimeter Results

Poll #1

Following the presentations and before the Council discussion, participants were asked: *What clarifying questions do you have about the presentations?* We received 15 answers from 9 participants, with some participants offering multiple answers.

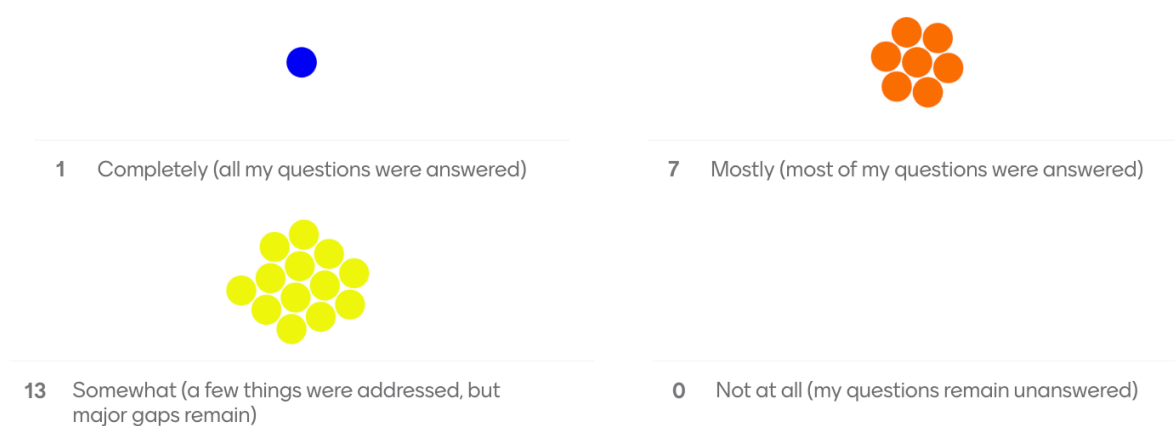
- Given current data center load utilization in Maine and the projected DC load increase as shared by Ian, what is the delta and what does that translate to as far as size and type of facilities?
- Celina said a data center might not have to meet Maine's RPS requirement. Can you explain why that would be the case?
- Does clean energy include nuclear energy - do we mean non-emitting and use the terms interchangeably?
- Local infra incremental costs to connect a new large load easily defined- who evaluates system impact of a point source of significant load on upgrade needs in the non local grid network?
- How do solid oxide fuel cell technology fit into the talk on Data Centers and is electricity backup necessary or recommended?
- Thoughts on the State looking at designating targeted locations that would be the most desirable locations for a Datacenter?
- Is there a geo-thermal option for cooling and heat?
- The representative from ISO-NE did not mention on grid battery storage. What work is being done there for affordable, energy dense grid scale batteries for managing burst demand and renewable capture?
- Is the Council considering limiting any data center development to only a type (i.e. enterprise) or MW limit (i.e. 20)?
- How viable are smaller scale distributed data center facilities and how viable are they in context of high compute (AI needs)?
- Multi agency coordination & analysis vis a vis gen, DR,, planning and the iLGP process (locations, system design, etc) is vital. Thoughts on how state should organize.
- I suggest a qualified Data Center engineer might be beneficial to this group. Thoughts?
- Another aspect of DC design is connectivity. Is there work being done with the major telcos to get on the multi terabit backbone in Maine?
- So a data center chooses Maine, and brings a "sister company" with them for actual power generation that may compete with existing power generators. Is there a plan for this?
- wrt to policy output they need to be guided by the DC density supported. A traditional DC @5Kw will have different requirements than a 250Kw/rack. Best of breed DC considerations should be consulted.

Poll #2

Participants were asked two questions at the end of the meeting.

How well did this discussion answer your energy-related questions?

How well did this discussion answer your energy-related questions?



What else will be essential to consider to protect Maine ratepayers and grid reliability?

- Residential battery incentive programs and virtual power plants.
- Virtual Power Plants.
- Load ramp rates.
- Public participation.
- Having actual data center engineers, (construction, environment, operations), added to this group.
- This consumer's perspective is that the single most important comment is the dramatically different planning timelines between data centers and grid upgrades.
- Thoughtful rate design
- Ensure special rate contracts are not "cutting a deal" that incentivizes them to come to Maine. Protecting Maine residents and businesses should come first.
- The need for transparency is vital. That transparency has to be there at the local level when these proposals come to a community. How will that be addressed?
- Data center power supply comes secondary to other distribution points in the event of outages where the DC doesn't have their own supply.
- I'd like to hear more about grid scale battery strategy adoption and rollout.