

**STATE OF MAINE**  
**PUBLIC UTILITIES COMMISSION**

**PUBLIC UTILITIES COMMISSION**

**RE: Inquiry Regarding the Future  
of Natural Gas**

**Docket No. 2025-00145**

**COMMENTS OF THE  
OFFICE OF THE  
PUBLIC ADVOCATE**

**January 14, 2026**

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**I. Introduction**

The Office of the Public Advocate (OPA) appreciates the opportunity to provide a draft matrix in response to the Public Utilities Commission (Commission or PUC) Procedural Order of December 18, 2025, in the above-captioned case. The Commission noted that the primary goal of this docket is “...to develop a consistent methodology or framework to incorporate and evaluate the greenhouse gas (GHG) emissions impact in the Commission’s decision-making around gas infrastructure investments and contractual commitments for supply or capacity needed to serve customers.”<sup>1</sup> The Commission requested for the OPA to submit recommendations for a matrix as a means to evaluate the consistency of gas system investments with state policies.<sup>2</sup> This matrix may contribute to the forthcoming Workshop where the Commission’s consultant, E3, will give a presentation on framework options, including options to reduce ratepayer risks from stranded assets associated with natural gas expansion.

The OPA’s focus is to limit the cost impact on ratepayers of efforts to reduce GHG emissions from the natural gas sector. This may include limiting potential stranded

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<sup>1</sup> *Maine Public Utilities Commission, Inquiry Regarding the Future of Natural Gas, No. 2025-00145, Procedural Order (Me. P.U.C. Dec. 18, 2025)* at 1.

<sup>2</sup> No. 2025-00145, *Comments of the Office of the Public Advocate (Me. P.U.C. June 13, 2025)*.

costs from the sector, as well as examining the cost-effectiveness of alternatives for reaching Maine’s GHG reduction goals.

OPA’s proposed evaluation matrix is discussed below.

## **II. Discussion**

### **A. Matrix Application**

The purpose of the proposed matrix is to create a tool that can be applied in any type of case where GHG emissions are affected by Commission decisions. Appropriate cases include ones in which demand-side and supply-side investments are proposed for approval. This includes cost of gas proceedings as well as any case in which natural gas supply or transportation decisions are made. The matrix could also be used to encourage dialogue related to GHG in non-adjudicatory proceedings.<sup>3</sup> The tool will help provide a consistent and predictable framework for the regulatory review process.

The matrix can be used in the review of a single proposal, or to compare alternatives. Ideally, alternatives to a given proposal would be provided by the utility or stakeholders presenting a supply-side (for example, request for approval of a contract for firm transportation (“FT”) capacity) or demand-side proposal (for example, energy-efficiency incentive for industrial customers). The Commission will make more effective evaluations if several supply and demand options are presented to it, rather than evaluating individual proposals against the single (implied) alternative of doing nothing.

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<sup>3</sup> Such as Unitil’s triennial Integrated Resource Plan which the Commission thus far has treated as informational. *Maine Public Utilities Commission*, Review of Northern Utilities, Inc.’s Proportional Responsibility Allocation Formula, No. 2005-00273, Order - Part 2 (Me. P.U.C. Apr. 26, 2006) at 9; Stipulation and Settlement (Me. P.U.C. Nov. 23, 2005, Section IV (E), at 11-12; *Northern Utilities Inc. d/b/a Unitil*, Request for Approval of 2023 Integrated Resource Plan, No. 2023-00078, Notice of Proceedings and Initial Conferences (Me. P.U.C. May 26, 2023) at 1.

B. Matrix Process OPA envisions a straightforward three-step process:

- 1) At the beginning of a case involving natural gas, the Commission determines whether it wishes to use the matrix.
- 2) For a given case, the matrix may be modified at Commission’s discretion.
- 3) The utility or utilities would be expected to provide (in response to specific data requests, or proactively) the data necessary for the Commission Staff to complete the matrix and score the proposal(s) (see example of matrix below).

OPA’s matrix incorporates an approach to scoring that allows comparison across a variety of investment choices. The matrix is based on four categories of evaluation criteria: i) policy and regulatory alignment, ii) cost, iii) technical feasibility, and iv) energy justice (see Figure 1). Each of the four categories is further broken down into sub-criteria which are designed to be measurable, either directionally or quantitatively. The OPA proposes an intuitive and simple scoring approach, discussed below.

**Figure 1. OPA’s suggested criteria for evaluation**

		Total scores are based on the number of criteria met with "high" (1 point), "medium" (0.5 point), or "low" (0 points)													
		Gas system supply side investment							Gas system/customer demand side incentives/investment						
		Gas utility							Residential		Commercial		Industrial		
		RNG	SNG	Green hydrogen	LNG/CNG trucking	Pipeline system expansion	Advanced leak detection	FT agreement	Utility re-organization	Energy efficiency /electrification	Voluntary demand response	Energy efficiency /electrification	Voluntary demand response	Energy efficiency /electrification	Voluntary demand response
<b>Criteria</b>															
<b>Policy and regulatory alignment</b>	Impact on CO2 emissions														
	Impact on methane emissions														
	Impact on GHG emissions from other fuels														
	Efficacy (\$ per GHG reduction)														
	Peak load reduction														
	Improvement in reliability/ resilience														
<b>Cost</b>	Capital cost														
	Operations & maintenance cost														
	Near-term impact on customer bill														
	Long-term impact on customer bill														
	Potential for stranded costs														
<b>Technical feasibility</b>	Technological readiness														
	Customer acceptance/uptake														
	Lead time														
	Execution and schedule risk														
<b>Energy justice</b>	Equity (distributional, procedural, recognition, restorative)														
	Local emissions impact														
	Local environmental impact														
<b>Total score</b>															

Several features of OPA’s matrix are notable:

- 1) It is flexible. The matrix is not limited to comparing specific utility supply-side investments: it organizes investment options in terms of the entity providing the investment, whether on the supply side (the utility) or the demand side (the customer, independently or in conjunction with the utility). For example, the Commission has stated that it is interested in whether the use of renewable natural gas (“RNG”) or synthetic natural gas (“SNG”) by Maine’s gas utilities should be evaluated as compared to traditionally sourced natural gas in assessing consistency with Maine’s GHG emissions goals.<sup>4</sup> This framework can be applied to do so.
- 2) The policy/regulatory criteria category explicitly allows a holistic approach that recognizes electric, gas, and oil in terms of cost and effectiveness for GHG reduction. For example, if electrification of residential heating reduces demand for gas in winter, there would be more gas for use in electricity generation. This in turn could reduce pressure on gas supplies and prices, as well as reduce the need to run oil-fired generation. This dynamic is captured in the sub-criterion dubbed “Impact on GHG emissions including emissions from other fuels.”
- 3) OPA’s matrix provides a simple numerical framework for scoring. The example matrix provided in Docket No. 2022-00322, *Public Utilities*

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<sup>4</sup> No. 2025-00145, Notice of Inquiry (Me. P.U.C. May 13, 2025) at 3.

*Commission, Proceeding To Identify Priorities for Grid Plan Filings* was a useful starting point, but there was no built-in way to compare investments that might be considered “apples and oranges.” The matrix uses a simple numerical framework to address this. Each cell in the matrix is assigned one of three points based on whether it scores high, medium, or low on a given sub-criterion: high earns 1 point; medium earns 0.5 points; low earns 0 points. This numerical framework is also amenable to weighting. For example, if the impact on customer rates overall is more important to the Commission’s decision than the impact on GHG emissions reductions, the Commission can weight the cost categories more than the policy categories.

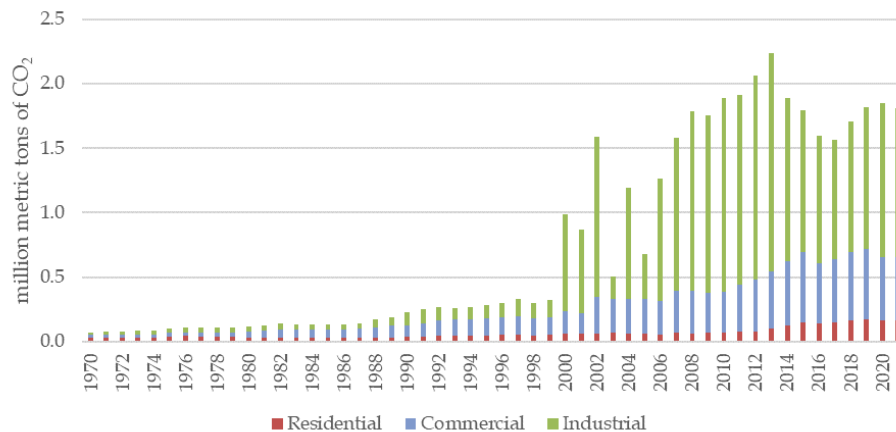
- 4) The matrix allows consideration of both short-term impacts and long-term impacts on ratepayer costs as well as the cost per unit of emissions reduction. It allows consideration of stranded costs.
- 5) The matrix clearly delineates investment related to the various demand sectors. As OPA noted in its June 13, 2025, filing, Maine has a unique demand structure in that its industrial sector accounts for a large share of gas demand compared to its residential and commercial sectors.<sup>5</sup> In other states, impactful policies for GHG emissions reductions from the natural gas sector may focus on building electrification. But in Maine, it may be more impactful to address GHG emissions from natural gas used in the industrial sector, because far more carbon dioxide (CO<sub>2</sub>) emissions from gas combustion come from the

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<sup>5</sup> No. 2025-00145, Comments of the Office of the Public Advocate (Me. P.U.C. June 13, 2025).

industrial sector than from the residential and commercial sectors (see Figure 2).

**Figure 2. Maine natural gas-related CO<sub>2</sub> emissions from combustion of natural gas**



Source: Energy Information Administration. State Energy Data System (“SEDS”). <<https://www.eia.gov/environment/emissions/state/>>. The SEDS Data is consistent with Maine DEP’s 10<sup>th</sup> Biennial Report, which applies EPA SIT models to EIA consumption data. Maine DEP does not report methane emissions separately.

Note: Figure shows only CO<sub>2</sub> emissions, not Scope 1 methane emissions or other GHGs. The emissions shown here are based on the EPA SITS models applied to EIA consumption data, so they are Scope 3 emissions.

### C. Use of Decision Criteria for Natural Gas Resources in Other Jurisdictions

A handful of states require their gas LDCs to file long-term resource plans. These are: California, Colorado, Georgia, Illinois, Minnesota, Nevada, New York, Oregon, and Washington.<sup>6</sup> There are indications that such plans are being evaluated, or will be evaluated, along the lines that OPA proposes in its matrix. The examples below are not exhaustive but are illustrative.

<sup>6</sup> National Association of Regulated Utility Commissioners (“NARUC”). “*Long-Term Planning among Regulated Natural Gas Utilities: A Review of State Requirements.*” May 2025. <<https://pubs.naruc.org/pub/B3E9420C-9813-1958-98BB-C5387B4E2A9C>>.

**California.** California Public Utilities Commission (“CPUC”) General Order 177 (“GO 177”) of 2022 provided the current framework to review natural gas infrastructure investments, with the intent to support the state’s transition away from natural gas while also avoiding stranded assets.<sup>7</sup> When LDCs apply for the certificate of public convenience and necessity (“CPCN”) required before beginning construction on any gas infrastructure project that either costs more than \$75 million or have several other characteristics, GO 177 requires utilities to evaluate non-pipeline alternatives (“NPAs”) as part of the CPCN filing. In addition, pursuant to GO 177, planned gas investment reports have been submitted by Pacific Gas and Electric (“PG&E”)<sup>8</sup> and other California LDCs. These reports include matrices describing NPA projects; however, the content of the matrices is different to what OPA is proposing. Most of the matrix simply describes the technical features and cost of the project, though there is a criterion called “cumulative impact of the same kind of project in the same place.” The planned gas investment reports, do however, allow the CPUC to compare a number of projects on an apples-to-apples basis. Later, in 2023, a CPUC decision adopted review criteria for repair versus replacement of gas transmission pipeline infrastructure, as well as criteria to determine when transmission pipelines can be derated or decommissioned.<sup>9</sup> This is an example of the use of criteria by a public service

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<sup>7</sup> CPUC. General Order 177 Establishing Rules for Application, Notification, and Reporting Requirements for Gas Infrastructure Located in California. December 1, 2022. <[https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/general-orders/go\\_177\\_gas\\_infrastructure.pdf](https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/general-orders/go_177_gas_infrastructure.pdf)>.

<sup>8</sup> CPUC. “R.20-01-007: Pacific Gas and Electric Company’s (U 39 G) Annual Report of Planned Gas Investments in Compliance with General Order 177.” March 1, 2024. <<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M526/K505/526505746.PDF>>.

<sup>9</sup> CPUC Decision 23-12-003: -6-  
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M521/K892/521892086.PDF>

commission, though not precisely for the same purposes as the Commission would require.

**New York.** The New York Public Service Commission (“PSC”) requires its LDCs to develop a framework to assess NPAs, as well as requiring the filing of long-term gas plans (“Gas Planning Order”).<sup>10</sup> The LDCs are required to project impacts on customer bills, equity impacts, and emissions reductions, and the commission can adopt, reject, or modify the LDCs’ long-term plans.<sup>11</sup> The PSC requires that long-term plans be consistent with the New York Climate Leadership and Community Protection Act (“CLCPA”), which sets statewide GHG emissions reduction goals. While the CLCPA does not impose specific emission targets for the gas distribution system itself, the PSC explicitly expects plans to include at least one scenario with no new traditional gas infrastructure and quantify the greenhouse gas impacts of that scenario.<sup>12</sup> The Gas Planning Order directs the LDC to file proposals for demand response programs and identify segments of the distribution systems that are potential targets for decommissioning.<sup>13</sup> Orders in a recent case show no reliance on a criteria matrix as such, but do reflect an examination of benefit-cost analysis reviewed by the PSC, including impacts on customers and GHG emissions.<sup>14</sup>

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<sup>10</sup> NY PSC. Case No. 20-G-0131. Order Adopting Gas System Planning Process (“Gas Planning Order”). May 12, 2022.

<sup>11</sup> *Ibid.*

<sup>12</sup>New York State. Department of Public Service. “PSC Continues Groundbreaking Process to Reduce Greenhouse Gas Emissions from Natural Gas Delivery Systems.” January 23, 2025. <<https://dps.ny.gov/news/psc-continues-groundbreaking-process-reduce-greenhouse-gas-emissions-natural-gas-delivery>>

<sup>13</sup> Gas Planning Order.

<sup>14</sup> NY PSC. Case No. 23-G-0437. “In the Matter of a Review of the Long-Term Gas System Plan of New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation.” Order Regarding Long-Term Natural Gas Plan and Directing Further Actions. January 23, 2025.

**Minnesota.** In September 2024 the Minnesota Public Utility Commission established essential components of new requirements for the filing of natural gas resource plans. This included prioritizing equity, considering costs, and analyzing capacity expansion projects. The utility is required to consider local climate goals and describe how its resource plan impacts those goals. The filing schedule begins in July 2026. As no resource plans have yet been filed yet, it is not clear exactly how (based on the criteria) the Commission will evaluate the plans, though it is clear that cost, equity, and climate impacts will be considered.

The OPA’s proposed criteria for the evaluation matrix are consistent with evaluative criteria used by other jurisdictions. The OPA’s innovation is to organize the criteria into a compact and useful format—a matrix which encompasses the key decision criteria—and which allows, through its scoring methodology, a comparison across options.

### **III. Conclusion**

Thank you for the opportunity to submit this proposed evaluation matrix.

Respectfully submitted,

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