

February 14th, 2023

Hon. Senator Mark Lawrence, Senate Chair
Hon. Representative Paige Zeigler, House Chair
Joint Standing Committee on Energy, Utilities, and Technology
100 State House Station
Augusta, Maine 04333

RE: MSCC Testimony in Opposition to LD 376: *An Act to Repeal the Law Regarding the Northern Maine Renewable Energy Development Program*

Dear Senator Lawrence, Representative Zeigler, and members of the Energy, Utilities, and Technology Committee:

My name is Ben Lucas, I live in Portland, and I represent the Maine State Chamber of Commerce, a statewide business organization consisting of a network of more than 5,000 small and large employers across Maine. The Maine State Chamber of Commerce is submitting this testimony in opposition to LD 376.

In the 130th Legislature, this committee and the Maine Legislature passed L.D. 1710 – which created the Northern Maine Renewable Energy Program. This effort was led by Senate President Troy Jackson and supported by Senator Trey Stewart, both of Aroostook County. Thanks to their leadership on this issue and the creation of the program, it moved forward the long-term goal of connecting Aroostook County to the rest of the ISO-NE Grid, which, as this committee knows, the state has been trying to do for decades. LD 1710 made that goal achievable and made it very realistic for the first time that we would be able to unlock the clean energy potential of Northern Maine. It allowed the Public Utilities Commission (PUC) to move forward with a competitive request for proposal for a 345-kilovolt double circuit generation connection line transmission line and to move forward with a request for proposal for renewable energy generation projects.

Following the passage of LD 1710 and the opening of a related docket at the PUC, the PUC received several bids for both projects. A few weeks ago, we saw the commission give unanimous approval to a 1,000 MW windfarm to be built by Longroad Energy and a 345-kV transmission line planned by LS Power to deliver electricity from the project to ISO New England. The Maine State Chamber of Commerce supports both of these projects, we support the decision from the PUC, we were happy to write support letters, and we believe the piece of legislation before you today would damage the state's business reputation by aiming to reverse those actions.

There are a many reasons why the State Chamber supports these projects. For example, it is impossible to ignore the considerable economic benefits in the form of jobs, taxable value and new investment. There will also be millions of dollars of investment made, thousands of jobs created, and potentially millions of new taxable along the route and in the host communities in Aroostook County and in many other places across the state.

ENCLOSURE

Further, the energy benefits that are associated with unlocking Maine generated renewable energy. Right now, our business community in Maine has been hit hard by the increased cost of energy. These cost increases have largely occurred because of natural gas capacity problems, both from not having enough capacity in the New England region, but also because of the geopolitical forces abroad. The Chamber feels it is critical to work to diversify our electric grid so we do not find ourselves in a position to be over-dependent on any one source of energy – and we feel the Northern Maine projects will help accomplish this. Together, these two projects will benefit Maine ratepayers and the business community for long term cost reductions that are competitive and unlocking thousands of megawatts of clean energy with no fuel costs will help costs go down. We are hopeful that if we can bring these two projects to fruition this is the first of a number Aroostook County projects to be constructed by Maine companies for Maine consumers over the coming years.

We have a long history of manufacturing products in Maine and then exporting the excess we have; and clean energy is no different. There are other states across our region with aggressive mandates creating demand for cost-effective renewable generation. One of the most important pieces of LD 1710 was its encouragement for bidders and the PUC to look for ways to encourage other states and corporate entities to serve as offtakers. In the recent PUC approval, we saw that Massachusetts will help pay for 40% of the project, which means we have found that sweet spot where we import the benefits and export some of the costs of these projects. Given our world class companies and highly skilled workforce, we are confident Maine companies will be doing the work. We also know that Maine ratepayers will see lower and stabilized energy costs, and investment-deprived Aroostook County that will reap those benefits.

Lastly, we have seen time and time how critical it is to protect Maine's business reputation. We have seen over the last few years it has been very challenging for developments of all shapes and sizes to be built. If we want our economy to grow, to encourage our kids to live and work here after graduation, we all need to be more open to change and new investment as a state. Unfortunately, LD 376 asks you to place our business reputation at risk. When you have companies who are willing to invest hundreds of millions of dollars into Maine, who respond to an RFP from the PUC, are awarded the contract, works with regulatory agencies of jurisdiction, and meets all the demands, then you cannot suddenly pull the rug out from under them. If this legislation were to pass, we believe it sends a dangerous message to future investment. It is critical to rebuild our business reputation as a state that welcomes business and investment.

We encourage this committee to vote Ought Not To Pass on LD 376, I am happy to answer any questions, and I will be available for the work session. I have also enclosed with this testimony a letter from MSCC President Dana Connors that he sent to the Maine PUC about a month ago. Thank you.

Sincerely,
Benjamin R. Lucas
Senior Government Relations Specialist
Maine State Chamber of Commerce
Email: blucas@mainechamber.org



The voice of Maine business

January 23, 2023

Attention: Philip L. Bartlett II, Chair
Commissioner Randall D. Davis
Commissioner Patrick Scully
Maine Public Utilities Commission
18 State House Station
Augusta, ME 04333

Dear Mr. Chairman Bartlett, Commissioner Davis, and Commissioner Scully,

On behalf of the Board of Directors of the Maine State Chamber of Commerce, I am writing to say how thrilled we are that the Maine Public Utilities Commission and the Massachusetts Department of Energy Resources have both found that King Pine wind farm and LS Power transmission line are in the interest of each state's ratepayers.

There is little doubt that Maine's business community has been hard hit by the pricing spikes we have all seen due to geopolitical forces abroad. But as "The Voice of Maine Business" we have been hearing similar concerns regarding energy prices for many decades. This is why I was so happy to see two Aroostook County legislators – Senate President Troy Jackson, and Senate Republican Leader Trey Stewart – partner up to pass legislation to explore the clean energy potential of "The County." Their efforts, and those of Governor Mills, will help protect our employers from pricing unpredictability through long-term contracts with Maine-based renewable energy.

I grew up in the county and know firsthand how economically starved my community has been for new investments, new jobs, and new taxable value. I began my career as City Manager for the Presque Isle. For many years I have heard people talk about the energy potential of the county, but few have made anywhere near the progress we have seen since the passage and implementation of LD 1710.

I applaud the PUC and DOER for seeing the potential of these projects for our energy consumers, and our economy, and for playing a role in protecting the environment. However, there is one more procedural step we must take as a state to make these projects a reality. The Maine PUC must formally and finally approve these projects by instructing our two utilities, Central Maine Power and Versant Power, to enter into contracts for 60% of the project's benefits and costs.

The Chamber has long said that we must create a positive business climate to help secure a strong state economy, and I can think of no better opportunity to do so than to approve these projects.

Sincerely,

A handwritten signature in black ink, appearing to read "Dana F. Connors". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dana F. Connors, President/CEO