



May 18, 2021

The Hon. Mark Lawrence, Co-chair
The Hon. Seth Berry, Co-chair
Joint Standing Committee on Energy, Utilities and Technology
State House
Augusta, Maine 04330

Re: Testimony in Support of L.D. 1710, *"An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine"*

Dear Sen. Lawrence, Rep. Berry, and members of the EUT Committee:

On behalf of Longroad Energy (Longroad), I am writing to provide testimony in support of L.D. 1710, "An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine", sponsored by Senate President Jackson.

Longroad develops and operates solar and wind energy projects in markets across the United States. In Maine, we employ a dozen people including Maine Maritime Academy graduates and U.S. military veterans who operate hundreds of renewable energy power plants across the country. In the towns of Eastbrook, Waltham, and Aurora, the Longroad team recently completed construction and commenced operation of the 73 megawatt (MW) Weaver Wind project, an approximately \$150 million investment. In addition, Longroad is developing both grid scale and distributed generation solar projects in communities throughout central and southern Maine.

The Longroad team has been developing renewable energy projects in Maine for over 15 years, and during that time, our team added approximately 700 MW of clean energy in northern and eastern Maine. This represents a total investment in Maine of over a billion dollars. We are enthusiastic about making further investments in Aroostook County given our past experiences doing business there. The County has plenty of land with excellent wind and solar resources, landowners who are valued long-term partners, and communities that welcome investment and the economic benefits that flow from it.

Longroad is involved with a large-scale wind project in Aroostook County in the early stages of development that could easily double the amount of wind power currently operating in Maine. The committee will also hear from other companies that have similar plans to develop large wind or solar projects in northern or eastern Maine. Collectively, the investment could be

many billions of dollars, generating tens of millions of dollars in property taxes and community benefits. The primary factor limiting the development of these projects is access to transmission connecting them to power markets.¹

Accordingly, we appreciate Senator Jackson's leadership in proposing this legislation to unlock economic development in northern Maine through new transmission and renewable power development. For decades, it has been well known that the renewable resources of northern Maine – originally, hydropower and biomass, now joined by wind and solar – have been held back by a lack of transmission capacity. In fact, most of Aroostook County is not directly tied into the U.S. electricity grid, instead relying on the Maritimes control area. Without a practical path to the ISO-New England (ISO-NE) system, investment that would go into new clean energy resources in the County has gone elsewhere for many years. This bill seeks to change that.

L.D. 1710 would require two procurement processes, essentially run in tandem. One of the procurements would be for a 345 kilovolt, dual-circuit alternating current (AC) generator lead transmission line from northern Maine to the ISO-NE grid. The other would be for renewable power generation to fill the line, presumably around 1,200 MW of capacity, secured through long-term power purchase agreements (PPAs). In fulfilling the generation requirement, the bill strongly encourages that at least one PPA support biomass generation, in consideration of the role such facilities play in disposing of wood waste from Maine sawmills.

It is important to note that while the development of transmission infrastructure between Aroostook County and ISO-NE would be an outcome of L.D. 1710, it would not automatically lead to integrating the northern Maine grid into the rest of New England. The option to interconnect would be available for the County, if there were a consensus at some point to move in that direction, but nothing in this bill would require it.

Passage of L.D. 1710, leading to 1,200 MW of renewable energy flowing across a new generator lead line, would create significant energy and economic benefits. The wind resource in Aroostook County is the largest, cheapest new renewable resource available in New England. We fully expect the cost of the generation to be at or below the market rate for power. If Maine is going to meet its climate and clean energy objectives, this resource must be utilized. In fact, the *Renewable Energy Goals Market Assessment* released by the Governor's Energy Office in February found that another 800-900 MW of renewables are needed to meet the

¹ Existing renewable assets – including hydro, biomass, and wind – could also benefit from new transmission.

state's 2030 climate goal. It further concluded that onshore wind is cost effective and has a clearest line of sight of any large-scale source for this power.

Building and operating the transmission and generation facilities would produce substantial economic benefits for northern Maine and the state as a whole. Some of the benefits include:

- 1,000-2,000 jobs over multiple years during construction
- 60+ good jobs for long-term operations (minimum 20 years)
- Excise, income, property and sales tax revenues for the state and municipalities
- Revenue for municipalities likely to be at least \$100 million over 20 years
- One of the most cost-effective climate strategies available to Maine, the emissions-free power generated would avoid annual emissions equivalent of taking roughly half a million passenger vehicles off the road

The moment is right for Maine to finally seize this opportunity. There is a serious move afoot in Washington to create federal incentives for transmission and clean energy projects like we are talking about in northern Maine. There are multiple developers ready and able to deploy large amounts of capital to move these projects forward. There is robust interest in the County in this endeavor. But none of these factors are permanent, and there are many other parts of the country that want to attract the approximately \$3 billion in total capital expenditure that is at stake here. Passage of L.D. 1710 would send the signal that Maine wants that investment and is serious about cost-effectively addressing the climate crisis.

In summary, Longroad urges the committee to support L.D. 1710, because it will lead to new renewable power, delivered to Maine customers via a new high-voltage transmission line, maximizing emissions reductions and fueling economic growth, including tax revenues and jobs in northern Maine.

Thank you for the opportunity to share our views on this matter.

Sincerely,



Matthew T. Kearns
Chief Development Officer
Longroad Energy Holdings, LLC