



May 18, 2021

Senator Mark Lawrence, Chair
Representative Seth Berry, Chair
Committee on Energy, Utilities and Technology
100 State House Station
Augusta, ME 04333

Re: Testimony in support of LD 1710, “An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine”

Senator Lawrence, Representative Berry, members of the Energy, Utilities and Technology Committee, my name is Jeremy Payne and I am the Executive Director of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. MREA members sustainably manufacture electricity from hydro, biomass, wind, tidal, and solar.

MREA testifies in support of LD 1710 – we applaud President Jackson for his steadfast commitment to delivering significant economic and employment benefits to his district and the state through the provisions within this legislation. Importantly, this bill will also help the state achieve its solar, wind, and greenhouse gas reduction goals. To be clear, LD 1710 is not the answer, but rather it provides an important step in the direction of bringing online clean, cost effective, Maine-made electricity.

For many years, your predecessors have been discussing how, when, and whether to open up the renewable energy potential of Northern Maine – now is the perfect time to pursue the solution as laid out in LD 1710. Between the clean energy federal tax policies and the Governor’s firm commitment that [“Maine Won’t Wait”](#) this is the appropriate moment to benefit from the lessons learned of the Public Utilities Commission’s (PUC) successful grid-scale procurement process to continue delivering high value, low priced renewables.

The PUC administered the bidding process, and ultimately [selected 17 Maine-based projects](#) for long-term contracts with prices ranging between 2.9 cents and 4.2 cents/kWh – these contracts included a diverse set of resources including hydro, wind, biomass, and solar. Importantly, the highly competitive pricing was not the only good news – there are also significant environmental, employment and investment benefits from these projects.

For example, the 17 projects will:

- Avoid 500,000 tons of greenhouse gases each year;
- Create 450 full-time equivalent jobs during construction;

www.renewablemaine.org

- Provide more than 30 full-time equivalent jobs in each year of the operation;
- Spend \$145 million initially with Maine-based entities;
- Purchase goods and services worth in excess of \$3 million annually;
- Each year, host communities will average \$4.7 million in taxes and payments; and
- Harvest wood fuel averaging \$11-12 million annually.

(source: [Maine Public Utilities Commission](#))

LD 1710 allows for discretion to be vested with the PUC to examine the costs, benefits, and even reissue a Request For Proposals if the bids received do not meet the statutory provisions. This discretion is not only true of the transmission procurement, but also includes the generation procurement of any bids for contracts from qualified renewable energy sources.


We would suggest one addition: as part of its bid review process the PUC should also consider impacts on existing and future renewable generation. There may be opportunities to design transmission solutions that will reduce or mitigate curtailment of existing projects, and/or also allow for clean energy projects elsewhere on the Maine grid to benefit from the development of infrastructure within Northern Maine.

Right now is an excellent time to lock in competitive pricing with federal tax credits¹ at levels that help to deliver meaningful and long-term benefits for Maine consumers, and to finally realize the tremendous economic, employment, and environmental opportunity from new clean energy development in Northern Maine.

We respectfully urge the committee to vote ought to pass.²

Thank you for your time and consideration.

Sincerely,



Jeremy N. Payne
Executive Director

¹ <https://www.seia.org/initiatives/solar-investment-tax-credit-itc>;
<https://www.eia.gov/todayinenergy/detail.php?id=46576#:~:text=At%20the%20end%20of%20December,year%20through%20December%2031%2C%202021>.

² All of the views expressed in this document do not necessarily represent the positions of each of our members. Since MREA represents a broad spectrum of companies, we anticipate some members may submit comments of their own.