



Testimony before the

Joint Standing Committee on Energy, Utilities and Technology

By Rob Wood, Director of Government Relations and Climate Policy

May 18, 2021

Re: LD 1710 – An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine

Senator Lawrence, Representative Berry, and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Rob Wood and I am the Director of Government Relations and Climate Policy for The Nature Conservancy in Maine. I appreciate this opportunity to testify **neither for nor against LD 1710**, An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine.

The Nature Conservancy is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. We have been working in Maine for more than 60 years with a focus on protecting land, restoring rivers and streams, rebuilding groundfish populations in the Gulf of Maine and developing innovative solutions to address climate change.

TNC is supportive of the overarching purpose of LD 1710: to encourage development of new, well-sited clean energy resources in a region of the state with many resources that may fit these criteria but that face specific barriers to development. As the State continues to transition to a low-carbon economy, it should proactively develop strategies to ensure the benefits of new clean energy development are equitably distributed, including by addressing key hurdles like transmission constraints in northeastern Maine. We thank Senate President Jackson for his sponsorship of this bill and for his ongoing leadership on clean energy issues in the Legislature.

We are testifying neither for nor against LD 1710 for four reasons.

First, the amount of new clean energy infrastructure envisioned in this bill is substantial, including both a new transmission line or lines and approximately 1200 MW of renewable energy that will have a substantial footprint on Maine's landscape. We appreciate that preference would be given to transmission line proposals that use "existing utility rights of way and other existing transmission corridors...wherever feasible." This provision is important, as it appropriately recognizes that habitat fragmentation from new transmission lines can be avoided or minimized by collocating new infrastructure with existing infrastructure. However, we believe this language can be both clarified and

strengthened in several ways: by removing the “wherever feasible” clause, by adding this language to the list of evaluation criteria in subsection 2 paragraph B, and by amending the language to ensure strong preference for transmission proposals that avoid unfragmented forest habitat and that are collocated with existing utility corridors and roads, rather than located in existing utility rights of way (utilities may have as-yet-unused rights of way located in unfragmented forest habitat).

Similarly, we recommend adding environmental siting criteria to the evaluation criteria for renewable energy generation projects in subsection 3 paragraph C. While environmental permitting occurs at the level of the individual project, the bid evaluation process that takes place during a renewable energy procurement provides an opportunity to evaluate proposed projects’ environmental impact *relative to one another*, and to factor this information into the selection of winning bids. When the State offers direct support for renewable energy projects through the provision of long-term contracts, we believe it is appropriate to set review standards that reflect the State’s conservation values. This is recognized in LD 1710 by the inclusion of siting criteria in the evaluation criteria for proposed transmission lines, and we believe this logic should be extended to the evaluation of the renewable energy generation proposals as well.

Third, TNC recommends that more stringent renewable energy resource eligibility criteria should be included in LD 1710. Because the bill explicitly preferences biomass energy generation in subsection 3 paragraph F, we believe that a higher standard should be set to ensure such facilities are efficient and modern—for example, a 60 percent efficiency standard. This would support combined heat-and-power facilities such as those proposed for long-term contracts in LD 1202 (introduced earlier this session), but not inefficient facilities. Additionally, TNC does not see a need to supply long-term contracts for existing renewable resources constructed prior to 2021, simply to fill excess capacity on the proposed transmission line or lines. To meet Maine’s and the region’s clean energy and climate change goals, the data are clear that we need to incentivize the development of new projects. While there is a role for existing resources in Maine’s renewable energy mix, as reflected in the current Renewable Portfolio Standard law, continuing to provide unneeded long-term contracts for these resources will place too much of Maine’s load under long-term contract for existing resources and crowd out the development of new projects.

Fourth and finally, TNC believes that it is prudent to determine how this legislation fits with other proposals before the Committee this session. Collectively, LD 1710, LD 1350, LD 336 and LD 1202 could result in more than 2000 MW of renewable energy under long-term contracts, in addition to the 700-800 MW that have been or will be offered long-term contracts under the existing 3210-G procurement. While this is exciting in the context of addressing climate change, we should also ensure that this is the right amount of renewable energy to place under contract in Maine at this time, and furthermore, that future procurements are selecting the right mix of projects that reflect Maine’s conservation, climate and equity goals. The Committee should also likely consider how the ongoing discussion on the future of the net energy billing program factors in alongside these proposed procurements.

In conclusion, TNC appreciates the ultimate goal of LD 1710, but we believe it is important to continue working on the details before this legislation moves forward. Thank you for the opportunity to testify today, and I am happy to answer any questions you may have.