

# 125th MAINE LEGISLATURE

# **FIRST REGULAR SESSION-2011**

**Legislative Document** 

No. 1443

S.P. 450

In Senate, April 12, 2011

An Act To Improve the Permitting Process for Wind Energy Developments and To Protect Maine's Quality of Place

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR. Secretary of the Senate

Presented by Senator PATRICK of Oxford.

#### Be it enacted by the People of the State of Maine as follows:

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39 40 **Sec. 1. 12 MRSA §685-B, sub-§2-C, ¶A,** as amended by PL 2009, c. 615, Pt. D, §3, is further amended to read:

A. The commission shall consider any wind energy development in the expedited permitting area under Title 35-A, chapter 34-A with a generating capacity of 100 kilowatts or greater or a community-based offshore wind energy project a use requiring a permit, but not a special exception, within the affected districts or subdistricts. For an offshore wind energy project that is proposed within one nautical mile of an island within the unorganized or deorganized areas, the commission shall review the proposed project to determine whether the project qualifies as a community-based offshore wind energy project and therefore is within the jurisdiction of the commission. The commission may require an applicant to provide a timely notice of filing prior to filing an application for, and may require the applicant to attend a public meeting during the review of, a wind energy development or a community-based offshore wind energy project. The commission shall render its determination on an application for such a development or project within 185 270 days after the commission determines that the application is complete, except that the commission shall render such a decision within 270 days if it holds a hearing on the application. The chair of the Public Utilities Commission or the chair's designee shall serve as a nonvoting member of the commission and may participate fully but is not required to attend hearings when the commission considers an application for an expedited wind energy development or a community-based offshore wind energy project. The chair's participation on the commission pursuant to this subsection does not affect the ability of the Public Utilities Commission to submit information into the record of the commission's proceedings. For purposes of this subsection, "expedited permitting area," "expedited wind energy development" and "wind energy development" have the same meanings as in Title 35-A, section 3451.

**Sec. 2. 12 MRSA §685-B, sub-§4-B,** as amended by PL 2009, c. 615, Pt. D, §5, is repealed.

## Sec. 3. 12 MRSA §685-B, sub-§4-C is enacted to read:

- 4-C. Special provisions; wind energy development or project. In the case of a wind energy development, as defined in Title 35-A, section 3451, subsection 11, with a generating capacity greater than 100 kilowatts, or a community-based offshore wind energy project, the developer must demonstrate, in addition to the requirements under subsection 4:
  - A. That the proposed generating facilities, as defined in Title 35-A, section 3451, subsection 5:
    - (1) Will meet the requirements of the Board of Environmental Protection's noise control rules adopted pursuant to Title 38, chapter 3, subchapter 1, article 6;
    - (2) Will be designed and sited to avoid undue adverse shadow flicker effects;

3	subsection 10-A;
4 5	(4) If the wind energy development is located more than 1,000 feet above sea level, will not be greater than 75 feet in height; and
6 7 8	(5) Will not have a significant cumulative environmental impact, in accordance with rules adopted by the Department of Environmental Protection pursuant to Title 38, section 484, subsection 10-A; and
9	B. That the following conditions have been met:
10 11 12 13	(1) If the wind energy development is an expedited wind energy development, the development will provide significant tangible benefits, as defined in Title 35-A, section 3451, subsection 10, within the State, as provided in Title 35-A, section 3454;
14 15 16	(2) An assessment of wildlife impacts by the Department of Inland Fisheries and Wildlife pursuant to section 12709 has been completed with respect to the development; and
17 18 19 20 21 22 23	(3) A decommissioning plan with respect to the development has been developed that includes a description of the circumstances under which the decommissioning would occur. An escrow account must be established to provide financial guarantees for the decommissioning of the development. The terms and conditions of the escrow account must be in accordance with rules adopted by the Department of Environmental Protection pursuant to Title 38, section 484, subsection 10-A.
24 25 26 27 28	The Department of Labor, the Executive Department, State Planning Office and the Public Utilities Commission shall provide review comments if requested by the primary siting authority. For purposes of this subsection, "primary siting authority" and "expedited wind energy development" have the same meanings as in Title 35-A, section 3451.
29	Sec. 4. 12 MRSA §12709 is enacted to read:
30	§12709. Wildlife impacts of a wind energy development
31 32 33 34 35 36	At the request of a developer of a proposed wind energy development, the department shall complete an assessment of the cumulative environmental impact and potential wildlife impacts of the proposed wind energy development. The department shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The department may charge the developer a fee to cover the cost of the assessment.
37 38	As used in this section, "wind energy development" has the same meaning as in Title 35-A, section 3451, subsection 11.
39 40	<b>Sec. 5. 35-A MRSA §3453, last ¶,</b> as enacted by PL 2007, c. 661, Pt. A, §7, is amended to read:

(3) Will be constructed with minimum setback requirements, defined by rule by the Department of Environmental Protection pursuant to Title 38, section 484,

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1 2 3	Rules adopted by the Maine Land Use Regulation Commission pursuant to this section are routine technical major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.
4 5	<b>Sec. 6. 35-A MRSA §3454, sub-§2,</b> as enacted by PL 2009, c. 642, Pt. A, §7, is amended to read:
6 7 8 9 10 11 12 13	<b>2. Community benefits package requirement.</b> Except as provided in subsection 3, to demonstrate that an expedited wind energy development provides significant tangible benefits as required in Title 12, section 685-B, subsection 4-B 4-C and Title 38, section 484, subsection 10 10-A, the applicant for an expedited wind energy development is required to establish a community benefits package valued at no less than \$4,000 per year per wind turbine included in the expedited wind energy development, averaged over a 20-year period. This subsection does not affect the property tax obligations of an expedited wind energy development.
14 15	<b>Sec. 7. 35-A MRSA §3456, sub-§1,</b> as enacted by PL 2007, c. 661, Pt. A, §7, is repealed.
16	Sec. 8. 35-A MRSA §3456, sub-§1-A is enacted to read:
17 18 19 20	1-A. Construction and operation requirements. A person may not construct or operate a wind energy development, other than a grid-scale wind energy development, that is located in the State's organized area without first obtaining a certification from the department that:
21	A. The generating facilities:
22 23	(1) Will meet the requirements of the noise control rules adopted by the Board of Environmental Protection pursuant to Title 38, chapter 3, subchapter 1, article 6;
24 25	(2) Will be designed and sited to avoid unreasonable adverse shadow flicker effects;
26 27 28	(3) Will be constructed with minimum setback requirements, defined by rule by the Department of Environmental Protection pursuant to Title 38, section 484, subsection 10-A;
29 30 31	(4) Will not have a significant cumulative environmental impact, in accordance with rules adopted by the Department of Environmental Protection pursuant to Title 38, section 484, subsection 10-A; and
32 33	(5) If the wind energy development is located more than 1,000 feet above sea level, will not be greater than 75 feet in height; and
34	B. That the following conditions have been met:
35 36 37	(1) An assessment of wildlife impacts by the Department of Inland Fisheries and Wildlife was completed pursuant to Title 12, section 12709 with respect to the development; and
38 39	(2) A decommissioning plan with respect to the development has been developed that includes a description of the circumstances under which the

decommissioning would occur. An escrow account must be established to provide financial guarantees for the decommissioning of the development. The terms and conditions of the escrow account must be in accordance with rules adopted by the department pursuant to Title 38, section 484, subsection 10-A.

A person proposing a wind energy development subject to certification under this section shall apply to the department for certification using an application provided by the department and may not begin construction until the certification is received.

- **Sec. 9. 35-A MRSA §3456, sub-§3,** as enacted by PL 2007, c. 661, Pt. A, §7, is amended to read:
- **3. Enforcement of standards.** Following certification under this section and during construction and operation, the standards in subsection  $\frac{1}{1-A}$  for a wind energy development subject to certification under this section may be enforced by the municipality in which the generating facilities are located at the municipality's discretion pursuant to Title 30-A, section 4452. The department is not responsible for enforcement of this section.

### Sec. 10. 38 MRSA §344, sub-§1-B is enacted to read:

- 1-B. Adjudicatory proceeding for approval. Notwithstanding any other provision of law, the department shall conduct an adjudicatory proceeding pursuant to Title 5, chapter 375, subchapter 4 on an application for a license, permit or certification for a wind energy development as defined in Title 35-A, section 3451, subsection 11.
- **Sec. 11. 38 MRSA §344, sub-§2-A, ¶A,** as amended by PL 2009, c. 615, Pt. E, §3, is further amended to read:
  - A. Except as otherwise provided in this paragraph, the commissioner shall decide as expeditiously as possible if an application meets one or more of the criteria set forth in section 341-D, subsection 2 and shall request that the board assume jurisdiction of that application. If at any subsequent time during the review of an application the commissioner decides that the application falls under section 341-D, subsection 2, the commissioner shall request that the board assume jurisdiction of the application.
    - (1) The commissioner may not request the board to assume jurisdiction of an application for any permit or other approval required for an expedited wind energy development, as defined in Title 35-A, section 3451, subsection 4, a certification pursuant to Title 35-A, section 3456 or a general permit pursuant to section 480-HH or section 636-A. Except as provided in subparagraph (2), the commissioner shall issue a decision on an application for an expedited wind energy development, an offshore wind power project or a hydropower project, as defined in section 632, subsection 3, that uses tidal action as a source of electrical or mechanical power within 185 days of the date on which the department accepts the application as complete pursuant to this section or within 270 days of the department's acceptance of the application if the commissioner holds a hearing on the application pursuant to subsection 1-B or section 345-A, subsection 1-A.

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1 2 3 4 5 6 7	(2) The expedited review periods of 185 days and 270 days specified in subparagraph (1) do not apply to the associated facilities, as defined in Title 35-A, section 3451, subsection 1, of the development if the commissioner determines that an expedited review time is unreasonable due to the size location, potential impacts, multiple agency jurisdiction or complexity of that portion of the development. If an expedited review period does not apply, a review period specified pursuant to section 344-B applies.
8 9	The commissioner may stop the processing time with the consent of the applicant for a period of time agreeable to the commissioner and the applicant.
10 11	<b>Sec. 12. 38 MRSA §484, sub-§10,</b> as amended by PL 2009, c. 615, Pt. E, §18, is repealed.
12	Sec. 13. 38 MRSA §484, sub-§10-A is enacted to read:
13 14 15 16	10-A. Special provisions; wind energy development or offshore wind power project. In the case of a grid-scale wind energy development, as defined in Title 35-A section 3451, subsection 6 or an offshore wind power project with an aggregate generating capacity of 3 megawatts or more, the developer demonstrates:
17 18	A. That the proposed generating facilities, defined in Title 35-A, section 3451 subsection 5:
19 20	(1) Will be designed and sited to avoid unreasonable adverse shadow flicker effects;
21 22	(2) Will be constructed with minimum setback requirements, defined by rule by the department;
23 24 25 26 27	(3) Will not have a significant cumulative environmental impact, as determined by rule by the department. For the purposes of this subparagraph, "cumulative environmental impact" means the impact on the environment that results from the incremental impact of the generating facilities when added to other past, present and reasonably foreseeable future actions; and
28 29	(4) If the grid-scale wind energy development is located more than 1,000 feet above sea level, will not be greater than 75 feet in height; and
30	B. That the following conditions have been met:
31 32 33 34	(1) The grid-scale wind energy development will provide significant tangible benefits, as defined in Title 35-A, section 3451, subsection 10, within the State as provided in Title 35-A, section 3454, if the development is an expedited wind energy development;
35 36 37	(2) An assessment of wildlife impacts has been completed by the Department of Inland Fisheries and Wildlife pursuant to Title 12, section 12709 with respect to the development; and
38 39 40	(3) A decommissioning plan with respect to the development has been developed that includes the circumstances under which the decommissioning would need to occur. An escrow account must be established to provide financial guarantees for

the decommissioning of the development. The terms and conditions of the escrow account must be in accordance with rules adopted by the department.

The department shall adopt rules to implement this subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 14.** Consideration of Town of Phillips ordinance. When adopting rules for minimum setback requirements to implement the provisions of this Act, the Department of Environmental Protection shall consider the wind energy facility ordinance adopted by the Town of Phillips on September 16, 2010.

10 SUMMARY

 This bill requires that all approvals for a license, permit or certification for wind energy developments be decided through an adjudicatory proceeding. The bill requires the consideration of cumulative environmental impact and impacts to wildlife when approving wind energy developments. It prohibits wind energy facilities constructed at 1,000 feet or more above sea level from being greater than 75 feet in height. The bill requires all expansions of an expedited wind energy zone to be done through major substantive rulemaking rather than routine technical rulemaking and it requires wind energy developers to establish an escrow account for decommissioning.