

TO: The Committee on Agriculture, Conservation and Forestry  
FROM: The Northeast Clean Energy Council  
DATE: May 8, 2023

**RE: Testimony regarding LD 1881, “An Act Regarding Compensation Fees and Related Conservation Efforts to Protect Soils and Wildlife and Fisheries Habitat from Solar and Wind Energy Development and High-impact Electric Transmission Lines Under the Site Location of Development Laws”**

Dear Chairs Ingwersen, Pluecker and Committee Members,

On behalf of the Northeast Clean Energy Council (“NECEC” or “The Council”), we thank you for the opportunity to provide testimony on LD 1881.

NECEC leads the just, equitable, and rapid transition to a clean energy future and a diverse climate economy. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and “smart” technologies.

The Council is dedicated to growing the clean energy economy in Maine and across the region, in pursuit of our mission to create a world-class and equitable clean energy hub in the Northeast. The Council’s 250+ members include companies based in Maine and those from elsewhere who do business in Maine or hope to make future investments in the state.

LD 1881 seeks to create a new regulatory structure for renewable generation projects such as wind and solar power as well as transmission lines. It would require financial compensation for projects on prime agricultural soils and soils of statewide significance as designated by the Natural Resources Conservation Service (“NRCS”).

**The Council writes to oppose LD 1881 for a number of reasons as outlined below.**

- This bill would result in higher energy costs and create market uncertainty that would hinder Maine’s progress towards its clean energy and climate goals.
- The bill takes away opportunities for farmers to generate income from their land that can be in harmony with historic agriculture uses.
- The bill's applicability is confusing, in terms of which projects would be included, the way soils and land use are characterized, and whether it could be applied retroactively, which we absolutely oppose.

- We believe that the bill unfairly penalizes clean energy development vs. projects such as large scale commercial or residential development, which would not be subject to the new fees imposed.

**We strongly urge the legislature to clearly state in the bill language that the new compensation fee structure is “not retroactive” therefore would not apply to projects under development or near completion.** Projects that have either received permits to construct or have energy contracts executed prior to the rulemaking process subsequent to the bill’s passing, would have unanticipated costs imposed that could result in projects being unfinanceable.

**While the Council understands the need to protect sensitive lands and raise funds to do so, the use of these fees is not well-outlined in the bill.** For example, LD 1881 directs fees from agricultural lands to go into a general fund for habitat conservation administered by the Department of Environmental Protection, and not for agricultural lands, specifically.

We urge the legislature to reject this bill as written. Let’s not create another regulatory process under an agency not experienced in regulating renewable energy projects. Let’s not take choice away from Maine’s farmers, and let’s not undercut Maine’s effort to thoughtfully expand “homegrown energy” as a way to help control costs, curb emissions, and increase diversity in the state’s electric market.

Again, the Council thanks the Committee and is ready and available to answer any questions you may have about us. We appreciate your consideration.

Sincerely,



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