

Testimony in Opposition to LD 2205, a Resolve, to Require the Public Utilities Commission to Initiate a Feasibility Study to Evaluate Transmission Technologies and Siting Locations for Any Future Electric Transmission Line Proposed Pursuant to the Northern Maine Renewable Energy Development Program

To the Committee on the Energy, Utilities and Technology by Jack Shapiro, Climate and Clean Energy Program Director February 20, 2024

Senator Lawrence, Representative Zeigler, members of the Energy, Utilities and Technology Committee, my name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM has been working for more than 60 years on behalf of our 30,000 members and supporters to protect, restore, and conserve Maine's environment. NRCM testifies in respectful opposition to LD 2005, A Resolve to Require the Public Utilities Commission to Initiate a Feasibility Study to Evaluate Transmission Technologies and Siting Locations for Any Future Electric Transmission Line Proposed Pursuant to the Northern Maine Renewable Energy Development Program.¹

Siting the renewable energy infrastructure we need to succeed in meeting the goals laid out in our climate statutes is not easy, and we respect the sponsor's effort to address some of the challenges involved. However, this bill has some significant flaws that prevent it from being a solution that will help us succeed on climate change – which is as urgent as ever, and reducing energy costs for Maine people, families, and businesses.

The bill requires the Public Utilities Commission (PUC) to contract with an independent engineering firm to conduct a feasibility study. A study of the scope outlined in the bill would likely cost hundreds of thousands of dollars, presumably a cost that would be paid for by ratepayers.

The bill asks the contractor to identify methods, technologies, and specific routes for the transmission line, then asks for an evaluation of each "proposed electric transmission line" against 12 criteria and 11 additional sub-criteria. Some of these criteria are specific, for example, impacts on historic sites, and some are significant pieces of economic analysis, like cost-benefit analyses. Many of these criteria are already contemplated by different aspects of the permitting

¹ <u>https://legislature.maine.gov/legis/bills/getPDF.asp?paper=HP1413&item=1&snum=131</u>

process that any project procured under this program would have to undergo, either at the PUC during the application for a certificate of public convenience and necessity (CPCN), or at the Department of Environmental Protection (DEP) for permits under site law and the Natural Resources Protection Act (NRPA).

There are other redundancies as well, like requiring the ratepayer-funded contractor to evaluate "the extent to which the proposed electric transmission line would satisfy the requirements of and advance the goals of the Northern Maine Renewable Energy Development Program," when only projects that satisfy those requirements could be selected by the PUC under the program in the first place.

Perhaps most importantly, the concept is fundamentally flawed in its design. The bill explicitly prohibits the PUC from restarting the Request for Proposals (RFP) process under this program until the adjournment of the 132nd Legislature, i.e., well into 2026. However, the contractor is supposed to evaluate the feasibility of proposed transmission projects in detail several years before this date. As it's written, the contractor selected paradoxically won't have any proposed projects to subject to the extensive and duplicative study laid out in this bill, and the Commission won't be able to solicit proposed projects until the study is completed.

The Northern Maine Renewable Energy Development Program, if it's successful, will have manifold benefits for Maine:

- New large onshore wind projects will bring indisputable climate benefits for Maine sorely and urgently needed in light of Maine's recent experiences with climate-linked extreme weather.
- Renewable energy projects stabilize energy prices New England's overdependence on natural gas for power generation has been the primary driver of high electric rates in the past few years.
- Renewable energy routinely offers energy at lower costs than fossil fuels and can drive down power prices. A recent report from Daymark Advisors estimated that new wind projects of this scale will save Maine electricity customers \$35 million per year.²
- The projects will benefit Maine's economy: hundreds of millions of dollars in economic activity, thousands of construction jobs, tens of millions of dollars in sales and property taxes paid to the state and local communities, and dozens of ongoing operations and maintenance jobs.³

To conclude, while we understand the motivations of the sponsor, this bill cannot be implemented and would result in years of delay for a program that will bring major climate, economic, and energy cost benefits to Maine.

² <u>https://cleanpower.org/resources/market-and-environmental-benefits-of-new-england-renewable-generation/</u>

³ https://mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=165179

We urge the Committee to vote Ought Not To Pass on LD 2205, and I would be happy to try to answer any questions you have.

Thank you.