

Chair Lawrence, Chair Sachs and Esteemed Members of the EUT Committee

I am in Opposition to LD 204, An Act to Reduce the Cost of Electricity by Removing the 100-megawatt Limit on Renewable Resources of Energy

With the exception being New Hampshire, the five other New England States are on aggressive paths to 100% renewables in the electric sector. Vermont requires 7.4% per year growth, Rhode Island, at 7% per year, Maine at 4%, Massachusetts at 3% and Connecticut at 2%.

Considering minimal growth in electricity demand, the combined States of New England would require 39,000 megawatt capacity wind or 87,000 megawatt capacity solar for 100% renewable energy. Maine, alone, would require over 4000 megawatt capacity wind or nearly 9000 megawatt capacity solar. New England electric sales in 2024 was 111,569,000 megawatt hours in 2024. Maine electric sales in 2024 was 11,244,000 megawatt hours. (EIA Figures).

Accelerating growth rates are missing one factor: not enough new renewables. Most pathways to 100% New England renewable generation squarely focused on offshore wind as the resource of choice, but there is a roadblock.

One big question facing the States is what happens when 100% renewable energy is attained. Do the attributes which are presently monetized with Renewable Energy Credits(RECs) go away? Once in place, are electric customers going to want to continue subsidizing renewables? What will it cost to get to 100% and what will it cost going forward at 100%?

When the demand for RECs exceeds the supply of RECs, Competitive Electricity Providers(CEPs) will have to obtain Alternative Compliance Payments(ACPs). Maine Class IA ACPs are currently \$50 per megawatt hour, 5 cents per kilowatt hour on retail electric bills.

Where can the state go to get a quick supply of RECs to tamp down costs. This best solution, of course, is to terminate the REC program. It isn't going to work out for anyone. It will collapse or the grid will collapse well before reaching 100%.

Already states are scrambling to create paths to increase the REC supply. Massachusetts has qualified nuclear and imported Canadian Hydro power in its Clean Energy Standard. Other states have created new classes to obtain Maine Class II RECs; raising the price. With an ACP of \$5 per megawatt hour, Class II Maine RECs/ACP are sure to be a hot commodity.

The ISO-NE wholesale market is already having issues with wind and solar generation causing negative prices. Accelerating installation of these intermittent, heavily subsidized generation will only accelerate this issue. Curtailment of one or both of these generators will only prolong the time to the 100% goal. RECs are only gifted when generation makes the grid.

Removing the 100 megawatt limit on hydro would mean competing with Massachusetts for Canadian imports. Maine has no 100 megawatt hydro power plants.

Main electric customers paid \$88 million dollars in rates to get to 49% of the 100% goal in 2022. 2025 brings that to 61%. It will be well over a billion dollars in totality before 100%

Are you aware that NextAmp with 69 megawatts of community solar in Maine is surrendering its certification in the Maine RPS? That is over 90,000 RECs.

The best way to deal with RECs is to not have RECs.

Thank You Clayton McKay Dixfield