

Committee on Energy, Utilities and Technology % Legislative Information Office 100 State House Station Augusta, ME 04333

May 6, 2025

Re: Public Hearing, LD 1868, An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws

Dear Senator Lawrence, Representative Sachs and Members of the Committee:

Thank you for the opportunity to share testimony in support of LD 1868, *An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, biomass, and tidal energy generators and developers of such projects, as well as companies that provide services to those producers and developers, such as environmental engineers, electricians, and general contractors.

LD 1868 would codify Maine's goal to achieve 100 percent clean energy by 2040 and proposes to achieve that goal, in part, by creating a distinct role for "clean resources" in Maine's renewable portfolio standard (RPS) that compliments renewable resources.<sup>1</sup> The bill also proposes a procurement of existing renewable energy resources. MREA supports the bill because it is grounded in thorough, reasoned and reasonable analysis on how to achieve a goal that is critical to mitigating the worst impacts of climate change, improving public health, and bolstering a clean energy economy that already supports more than 15,000 Maine jobs and has contributed over \$2.31 billion Maine's economy.<sup>2</sup>

As an association of renewable energy generators and others in the renewable energy industry, MREA acknowledges that certain "clean" resources such as nuclear may play a role in lowering the cost of the transition to renewable energy. In past commentary on this topic to the Governor's Energy Office and others, we have opined that any "clean energy standard" should be structured as a portfolio requirement complementary to the existing renewable portfolio

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<sup>&</sup>lt;sup>1</sup> This testimony is responsive to the sponsor's amendment shared with interested parties on May 6, 2025.

<sup>&</sup>lt;sup>2</sup> See "<u>Maine Pathways to 2040: Analysis and Insights</u>", prepared by The Brattle Group and Evolved Energy Research for the Maine Governor's Energy Office (2025).

standard (RPS) and that current definitions for Class I and Class IA resources should not be expanded to include these "clean" generators. LD 1868 checks both boxes in its proposed creation and definition of a Class III or clean resource.

The same analysis that supports the proposed "clean energy standard" also underscores the importance of maintaining Maine's existing renewable resource fleet, including hydropower and biomass resources.<sup>3</sup> Maine's RPS and its associated revenue opportunities have proven critical to sustaining Maine plants that offer low-cost renewable energy and that are often key employers in their region. Section 26 of LD 1868 is consistent with past procurement methodology that has ultimately supported these facilities. That said, we recommend that the bill be further amended to include 20-year contract terms, which is a more typical contract term and a term that is more attractive to renewable energy generators in Maine.

A 2024 independent study commissioned by the Governor's Energy Office in collaboration with the Maine Public Utilities Commission found that, "The RPS has supported renewable development and operation resulting in over \$100 million in direct investment, approximately \$900 million in operations and maintenance spending, and over 1,000 full-time equivalent jobs yielding over \$1 billion in worker income between 2008 and 2022."<sup>4</sup> The RPS is achieving its intended result of spurring economic development in Maine, encouraging the development of new renewable energy resources like solar and wind and supporting existing renewable energy resources like hydropower and biomass, while advancing Maine toward its renewable energy and greenhouse gas emission reduction goals.

MREA believes that this legislation is a natural extension of and improvement upon Maine's RPS. For these reasons and more, we encourage the Committee to vote "Ought to Pass" on LD 1868.

Sincerely,

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Eliza Donoghue, Esq. Executive Director

<sup>&</sup>lt;sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> See "<u>An Assessment of Maine's Renewable Portfolio Standard</u>", prepared by Sustainable Energy Advantage at iv.