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May 12, 2025

Testimony by Ameresco in Support of LD 1860, An Act to Allow Certain Distributed Energy Resources to Participate in the State's Net Energy Billing Program

Senator Lawrence, Representative Sachs, and Distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology, I am here to testify in support of LD 1860, An Act to Allow Certain Distributed Energy Resources to Participate in the State's Net Energy Billing Program. My name is Jonathan Mancini, an employee of Ameresco, an energy development company headquartered in Framingham, MA with a local engineering office in Portland, Maine that employs over forty full time staff.

We are here today due to unforeseen circumstances. Ameresco developed and constructed a 2 MW AC solar project (Ellsworth Solar) located in Ellsworth, ME. Our project team has been diligent in following the NEB rules through the development process which started in 2020. Ellsworth Solar began construction in March 2023 and has been mechanically complete since September of 2024, ahead of the in-service NEB deadline of December 31, 2024.

For additional background, Ameresco received the i.3.9 approval letter from ISO New England (ISO-NE) on September 6, 2022. At that time, the ISO-NE i.3.9 letter projected an in-service date of June 30, 2024. Immediately thereafter, Ameresco began purchasing the long-lead-time items of equipment for the project's solar generation facility. On February 17, 2023, Ameresco paid Versant 100% of the \$723,000 interconnection costs. At the end of February 2023, Versant confirmed it had all payments, material contracts, and transmission study approvals required to begin design and procurement of equipment.

As of March 2023, the procurement, construction, and interconnection schedule from Versant indicated the project would be COD by November 2024. Ellsworth Solar began construction at this time and had already committed \$3.5 million for subcontractors, modules, racking and inverters. The Project is contracted to receive the NEB tariff credit rate pegged at the 2022 rates and increasing annually at 2.25%, pursuant to 35-A M.R.S. § 3209-B(5)(A-1).

During construction, Versant notified us that their in-service date was moved to February 2025, beyond the NEB deadline for the start of commercial operation. The delay to the Project's anticipated commercial operation date resulted from supply chain issues for equipment Versant needed to upgrade its system and interconnect the project. These delays were completely outside of Ameresco's control. Despite the delays to Versant's equipment, Ameresco continued to construct the Project to mechanical completion, which occurred in

September 2024. Earlier in the interconnection process for the Project, Versant had been able to overcome another equipment supply chain delay. Failing the Versant equipment timely arriving, Ameresco was planning to seek a good cause exemption for this Versant equipment delay, as other generators had received exemptions for similar utility delays. Ultimately, Versant did not receive the equipment subject to the more recent supply chain delays. Because Versant could not timely complete its interconnection upgrades, it could not authorize the project to start commercial operation by the NEB program's end of 2024 deadline.

The NEB program allows for a good-cause exemption if a generator experiences external delay outside of its control and the delay causes the generator to miss a program eligibility requirement. Due to the in-service date delays shifting to 2025 as result of the supply chain delays for Versant's interconnection equipment, Ameresco decided to petition the Public Utilities Commission on May 7, 2024 (PUC) for an extension due to this unforeseen delay outside of its control.

On November 18, 2024, PUC Staff issued an examiner's report recommending that the PUC exempt Ellsworth Solar from the in-service deadline due to external delays from Versant's interconnection equipment procurement. On December 13, 2024, by a 2-1 vote, the PUC issued an order denying the exemption because they indicated the record did not include collaborating evidence of Versant's email delivery of the March 2023 schedule, showing the November 2024 in-service date, to Ellsworth Solar.

On January 2, 2025, Ellsworth Solar moved for the PUC to reconsider the order and/or reopen the record to receive the purportedly missing "corroborating evidence" of the March 2023 schedule's delivery to Ameresco. Evidence showing Versant's March 2023 schedule and subsequent revised schedules reflecting the delays to Versant's equipment were provided in the original petition. However, in its petition for reconsideration, Ameresco provided additional evidence including a *sworn affidavit from Versant's project manager attesting to having shared the March 2023 schedule* with Ellsworth Solar. See Attachment 1.

It is also important to note the legislation enacting the December 31, 2024, in-service date deadline took effect in October 2023, after Ameresco started constructing Ellsworth Solar.

Because of the PUC decision, small family businesses throughout Versant's territory will be significantly impacted. The project offtakers consist of 19 local businesses located around Ellsworth including the greater Bangor and Bar Harbor areas. The businesses represented are locally owned and operated and include three small grocers, a wholesale seafood distributor, six restaurants, three farms, a campground, three auto service facilities, an Inn and golf course.

In total, these businesses are contracted to receive an estimated savings of \$1.98 million over the 20-year period Ellsworth Solar intended to participate in NEB. On average, the businesses will save over \$5,000 per year and \$104,000 over the 20-year term.

To reiterate, Ellsworth Solar is now fully constructed and sitting idle. Despite the Ellsworth Solar's generation facilities having reached mechanical completion in September 2024 at a total investment of \$5,700,000. This mechanical completion date was well ahead of the December 31, 2024, deadline, and it provided Versant and Ameresco with ample time to achieve the deadline if Versant had timely received its interconnection equipment. However, Ellsworth Solar still sits awaiting interconnection since achieving mechanical completion in September 2024.

We ask that the Committee supports this bill so that we can right this wrong. I appreciated you taking the time to listen to me today. Thank you.

Respectfully,

 /S/

Jonathan Mancini

SVP, Ameresco

Enclosure: Attachment 1 - Versant Affidavit submitted in docket 2024-00108

ATTACHMENT 1

December __, 2024

Docket No. 2024-00108

Request for Good Cause Exemption
of Ellsworth ME Solar, LLC

AFFIDAVIT of
VERSANT POWER

I, Andrew Richardson, do hereby attest to the following:

1. My name is Andrew Richardson, I am a Distributed Generation Construction Manager at Versant Power, and I have served as a Construction Manager since July 2023. Prior to that time, I served as a Distribution General Project Manager at Versant Power (“the Versant project manager”) from March 2023 to July 2023.
2. From March 2023 until July 2023, I was the Versant project manager to the interconnecting solar generation project (“the project”) owned by Ellsworth ME Solar, LLC (“Ellsworth Solar”).
3. As project manager to Ellsworth Solar’s project, I created an interconnection schedule entitled “20230327_751D Construction Schedule_REV0” (“the March 2023 Schedule”). The March 2023 Schedule also anticipated Versant’s equipment procurement would occur over 64 weeks. The March 2023 Schedule anticipated the Ellsworth Solar’s project starting commercial operation on November 25, 2024.
4. My first meeting on Microsoft Teams with Ellsworth Solar occurred on April 5, 2023 at 9:30 a.m. (“the April 5 meeting”). At the April 5 meeting, I discussed and shared the March 2023 Schedule information with representatives from Ellsworth Solar. Among other points of discussion, I discussed the 64 weeks of procurement time for Versant’s interconnection equipment and the anticipated COD for the project on November 25, 2024.
5. I have sufficient technical background and information regarding Versant’s interconnection process and March 2023 Schedule for the Ellsworth Solar project to submit this Affidavit for consideration in the above-referenced docket.
6. All the factual statements and information provided herein are accurate, true, complete, and not misleading.

[SIGNATURE AND NOTARY BLOCKS ARE ON THE FOLLOWING PAGE]

Signature of Affiant

Andrew Richardson

Andrew Richardson, Construction Manager
Versant Power

Date

12/19/2024

STATE OF MAINE
COUNTY OF PENOBSCOT

December 19, 2024

Personally appeared the above-named Andrew Richardson and made oath that the statements set forth above are true and accurate based upon his personal knowledge and belief.

Allison A. Economy
~~Notary Public~~
Maine Attorney at Law

Allison A. Economy
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