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JANET MILLS GOVERNOR

DAN BURGESS DIRECTOR OF GOVERNOR'S ENERGY OFFICE

TESTIMONY BEFORE THE COMMITTEE ON AGRICULTURE, CONSERVATION AND FORESTRY

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 L.D. 1881

GOVERNOR'S ENERGY OFFICE May 10, 2023

Senator Ingwersen, Representative Pluecker, and Members of the Joint Standing Committee on Agriculture, Conservation and Forestry (ACF) My name is Caroline Colan, and I am the Legislative Liaison for the Governor's Energy Office (GEO)

The GEO testifies neither for nor against L D 1881

We welcome the opportunity to comment on this proposed legislation and appreciate our office's inclusion in the stakeholder discussions that occurred during its development. The legislature has established important renewable energy requirements in law to combat climate change and reduce. Maine's reliance on expensive, polluting, imported fossil fuels. Specifically, our state's renewable portfolio standard (RPS) establishes the portion of electricity sold in the state that must be supplied by renewable energy resources. In June 2019, Governor Mills signed legislation that increased Maine's renewable portfolio standard (RPS) to 80% by 2030 and set a goal of 100% by 2050.¹ Recognizing the impact our regional overreliance on fossil fuels, including our highest in the nation reliance on oil to heat our homes, as well as the impact that volatility in global natural gas markets has had on electricity prices in recent years, Governor Mills announced earlier this year that Maine will seek to reach our 100% goal by 2040. Meeting these renewable energy requirements involves increasing the amount of renewable energy available for Maine, not only to meet incremental new load as we electrify, but to displace carbon-emitting resources that currently dominate the regional electricity supply.

As required by law, our office has assessed the state's renewable energy goals and options for how to meet them over the next decade Based on existing resources and a continued robust pace of new renewable energy deployment, Maine is on track to meet our 2030 requirement However, we will continue to need additional new resources to meet increasing goals thereafter as well as to meet our emissions reduction requirements and continue to grow a robust clean energy economy ²

² State of Maine Renewable Energy Goals Market Assessment, February 2021 https://www.maine.gov/energy/sites/maine.gov/energy/files/inline-

¹ P L 2019 ch 477

files/GEO_State%20of%20Maine%20Renewable%20Energy%20Goals%20Market%20Assessment_Final_March%20 2021_1 pdf

The GEO is keenly aware of several factors that must be considered and balanced as we develop policy to facilitate the achievement of our renewable energy goals, including impacts to ratepayers, keeping pace with load growth as electrification increases, and the protection of Maine's abundant natural resources. To ensure responsible siting of solar energy on agricultural lands as recommended by *Maine Won't Wait*, the GEO and the Maine Department of Agriculture, Conservation and Forestry (DACF) convened an Agricultural Solar Stakeholder Group to make policy recommendations to balance the need to protect Maine's current and future farmland against the need to develop sources of renewable solar energy The final report of the Agricultural Solar Stakeholder Group was released on January 20, 2022 Based on its research and discussions, and additional input received from the public, the Stakeholder Group advanced seven consensus recommendations to the Department of Agriculture, Conservation and Forestry (DACF) and the GEO. The Stakeholder Group also developed relevant definitions and a matrix of siting considerations for practitioners. Following the release of this report, the GEO has remained engaged in discussions with DACF and other state natural resource agencies on additional balancing efforts of renewable energy development and natural resource protection, some of which are put forward in L D. 1881

The GEO sees a potential benefit to streamlining the process for mitigation of adverse impacts under the Site Location of Development law by providing an in-lieu fee option when mitigation is required which the Department of Environmental Protection (DEP) could use to efficiently conserve lands, rather than requiring a project developer to seek out suitable property and complete conservation work. Such a process has the potential to improve conservation outcomes and facilitate necessary renewable energy deployment.

It's the GEO's understanding that there are several ongoing efforts with the objective to avoid, limit, or mitigate the impacts of renewable energy generation on agricultural lands or other important natural resources areas. We would like to better understand the impacts of existing balancing efforts on natural resource preservation in Maine and the perceived need for additional protections. For instance, Maine's existing solar decommissioning law requires projects of 3 acres or more to provide a decommissioning plan and financial assurance for decommissioning at the end of life. The law includes additional requirements that provide for the restoration of agricultural land following the decommissioning of the solar equipment.

While the GEO appreciates the need for balance between renewable energy development and natural resource protection, we encourage the committee to avoid any language that may severely limit where a renewable energy project could be sited, or substantially increase the cost such projects would incur to be constructed – costs that ultimately would be borne by electricity customers, who are already overburdened by high prices driven by fossil fuels. Leaving little room for any large-scale renewable development will constrain Maine's ability to meet our emissions reduction and clean energy goals. The GEO believes more restrictive treatment of renewable energy development relative to other types of development proposed to be sited on these parcels could be inconsistent with the state's established emissions reduction and renewable energy policies. Additionally, it could limit the ability for farmland owners to access renewable development as a means for income diversification and stability for their farms in the long-term.

The GEO is committed to continued engagement on this legislation and hopes we can work to seek the right balance between important policy objectives without creating significant barriers to continued cost-effective renewable energy development in Maine

Thank you for your consideration

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Caroline Colan, Legislative Liaison, Governor's Energy Office