

May 9, 2023

Senator Mark Lawrence, Chair Representative Paige Ziegler, Chair Committee on Energy, Utilities and Technology 100 State House Station Augusta, ME 04333

Re: Testimony in support of LD 1830, "An Act to Promote Economic Reuse of Contaminated Land Through Clean Energy Development"

Senator Lawrence, Representative Ziegler, members of the Energy, Utilities and Technology Committee:

My name is Jeremy Payne and I am a principal with Cornerstone Government Affairs Group here to testify in support of LD 1830 on behalf of our client the Maine Renewable Energy Association ("MREA").

This legislation tasks the Public Utilities Commission ("PUC") with administering a clean energy procurement bid process to contract for 5% of Maine's 2021 retail electricity sales – this will amount to approximately 400 megawatts being placed under contract. Importantly, this procurement will create opportunities for farmers and landowners whose lands have been contaminated by PFAS and other contaminants to financially benefit through hosting clean energy projects.

Similar but not identical to the successful grid-scale procurement of a few years ago, this legislation instructs the PUC¹ to apply a weighting of 70% on cost/ratepayer benefit, and 30% on the economic reuse of contaminated lands. As it considers costs factors, the PUC may only award a contract if the pricing will be less than the standard offer electric supply price in the same year as the PUC makes its award.

Clean energy developments may be the only use of the land that can be approved at this time given the potential for long-term health hazards of contaminated lands. There are also other benefits contained in the Inflation Reduction Act offering incentives helping to drive down the costs of developing renewables on these lands.

This bill is quite similar to LD 1591, but is not identical – notably, section 2-B calls on the PUC and Governor's Energy Office ("GEO") to examine whether projects awarded contracts in the original grid-scale procurement are making "demonstrable progress" toward achieving commercial operation. And if the PUC/GEO determines those contracts will be unfulfilled, then those corresponding megawatts would be added to the 5%. We also support the other project maturity/viability components requiring bidders to demonstrate to the PUC that they have filed for system impact studies by ISO-New England. Finally, we also support instructing the PUC to

<sup>&</sup>lt;sup>1</sup> https://www.maine.gov/mpuc/electricity/rfps/class1a2021/

closely examine the effect of contracting for new projects and whether they may create additional curtailment or congestion impacts to other existing renewable projects.

LD 1830 as printed envisions a procurement dedicated entirely to projects on contaminated lands; however, we have had some discussions with the sponsor and others and believe it would be preferable to instead provide a preference for bids on those lands. This should help keep costs as low possible and ensure a competitive outcome – but still provide owners of contaminated lands an advantage during the bid review process.

Lastly, placing additional clean energy projects under long-term contract will help shield Maine consumers in the future from wild price swings associated with natural gas.

We respectfully urge you to vote ought to pass.

Thank you.