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Testimony in Support of LD 1963
An Act Regarding the Future of Renewable Energy Transmission in Northern Maine

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Good morning, Senator Lawrence, Representative Zeigler, and members of the Joint Standing Committee on Energy, Utilities, and Technology. My name is Troy Jackson. I have the honor of serving as the President of the Maine Senate and of representing northern Aroostook County in Senate District 1. I am here today to introduce an amended version of LD 1963, "An Act Regarding the Future of Renewable Energy Transmission in Northern Maine."

As I'm sure you all are well aware, the PUC recently went through an RFP process with the goal of contracting a renewable energy project and a transmission line project that would unlock the renewable energy potential of Aroostook County. Unfortunately, they were not able to come to an agreement that aligned with the original term sheets they received and have decided to start the process over. This is unfortunate, but I know as well as anyone that nothing worth doing happens overnight. So I decided to use this concept draft to figure out a way to move forward and hopefully improve the results of the next RFP.

The amendment before you seeks to make the next RFP process more flexible and productive for the PUC and for the folks submitting proposals for transmission projects. It does this by removing the requirement that the transmission line be a 345-kilovolt double circuit connection line and opening the door to other types of technology to achieve the underlying goals of this bill, which is to get as much renewable energy out of northern Maine as possible at a reasonable price.

As Maine moves forward in meeting our ambitious energy goals, we as the representatives of the people of Maine must do everything that we can to make sure that every part of our state sees the benefits of electrification and renewable energy project development. I believe strongly that pursuing a renewable energy project and transmission line in Aroostook County will help ensure that the people of northern Maine are not left behind as we work to electrify our state's power supply. I hope that you will support this legislation to make the next RFP process more successful for the PUC and for all Mainers.

Thank you for your time. I will do my best to answer any questions you have.

Proposed Amendment to LD 1963

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 35-A MRSA § 3210-I, sub-§1 is amended to read as follows:

1. **Program established.** The Northern Maine Renewable Energy Development Program, referred to in this section as "the program," is established to remove obstacles to the use of and to promote development of the substantial renewable energy resources in northern Maine. As used in this section, "northern Maine" means Aroostook County and any other area of the State in which the retail market is administered by the independent system administrator for northern Maine.

The commission shall administer the program in accordance with this section and shall ensure that such administration accounts for and is designed to advance the renewable energy and climate policies and goals of the State and to:

A. Encourage the rapid development of renewable resources in northern Maine to achieve greenhouse gas emissions reductions in the State and realize direct and near-term economic benefits in northern Maine;

B. Develop the transmission infrastructure necessary for the State to expeditiously meet its renewable energy and climate goals using, to the extent practicable, renewable energy resources located in the State;

C. Transition the State's mandated renewable energy purchasing through contracting approved and ordered by the commission in accordance with this section for the purchase of capacity, renewable energy and renewable energy credits, or any combination thereof, in a manner designed to most effectively account for the changing seasonal, time of day and other electricity usage characteristics associated with beneficial electrification as defined in section 10102, subsection 3-A over the duration of such contracts;

D. Promote energy equity with particular consideration given to the economic circumstances and opportunities in the State's socially vulnerable counties and communities. For the purposes of this paragraph, "socially vulnerable counties and communities" means those counties and communities in the State containing populations that are disproportionately burdened by existing social inequities or lack the capacity to withstand new or worsening burdens; ~~and~~

E. Recognize that, in advancing the renewable energy and climate policies and goals of the State, the near-term development of the transmission and other infrastructure necessary to reduce greenhouse gas emissions is in the public interest; ~~and~~

F. Seek, in collaboration with the Governor's Energy Office, established in Title 2, section 9, to partner with other states or entities in the procurement of infrastructure pursuant to subsection 2 and renewable energy generation projects pursuant to subsection 3.

Sec. 2. 35-A MRSA § 3210-I, sub-§2 is amended to read as follows:

2. Request for proposals; generation connection line infrastructure. The commission shall issue a request for proposals for the development and construction of ~~a 345-kilovolt double circuit generation connection line, or, in the commission's discretion, a transmission line or lines of greater capacity;~~ infrastructure necessary to connect up to the maximum number of megawatts permitted by ISO-New England of renewable energy resources located in northern Maine and developed pursuant to subsection 3 with the electric grid operated by the New England independent system operator, referred to in this section as "the ISO-New England system." The commission may issue preliminary requests for information from utilities and private developers or release draft requests for proposals to gather information to inform the program. The commission may develop a request for proposals and evaluate proposals in coordination with other states or entities.

A. The proposals must be required to cover a contract term of 30 years, except that the commission may, in its discretion, approve a contract term of a different duration, and must include provisions for the construction, development and subsequent commercial operation of the line or lines described in this subsection. .

B. The commission shall evaluate the proposals received based, at a minimum, on the following factors: cost, economic benefit to northern Maine, the qualifications of the bidder or bidders, the long-term viability of each proposal and the anticipated contribution of each proposal toward the achievement by the State of its renewable energy goals under section 3210. The commission shall disqualify any proposal that, in the commission's determination, fails to demonstrate the bidder's technical and financial capacity to successfully construct, develop and operate the line or lines described in this subsection and to pursue, negotiate and contract for its interconnection with the ISO-New England system.

C. The commission shall give preference to proposals that:

(1) In the commission's determination, in the aggregate with proposals received under subsection 3, demonstrate the most cost-effective and efficient transmission access to renewable energy resources in northern Maine in a manner that best supports the achievement of the State's renewable energy goals under section 3210 and that maximize benefits to the State;

(2) Favor use, where practicable, of existing utility and other rights-of-way and other existing transmission corridors in the construction of the line or lines described in this subsection; and

(3) In the commission's determination, are likely to provide a reduction in transmission costs and costs to ratepayers for electricity over time as more energy is transmitted using the line or lines described in this subsection.

D. The commission may consider and, in accordance with the applicable provisions of this subsection and subsection 3, select a proposal or proposals that include both the development and construction of the line or lines described in this subsection and the development and construction of one or more qualified renewable energy generation projects described in subsection 3.

E. ~~No later than November 1, 2022,~~ The commission shall approve a contract or contracts between one or more transmission and distribution utilities and the bidder of any proposal selected by the commission in accordance with this subsection, except that, if at the close of the competitive bidding process the commission determines that no proposal meets the requirements of this subsection or that approval of a contract or contracts that otherwise meet the requirements of this subsection is not in the public interest, the commission may reject all proposals and may open a new competitive bidding process under this subsection.

Sec. 3. 35-A MRS § 3210-I, sub-§3 is amended to read as follows:

3. Request for proposals; renewable energy generation projects. The commission shall issue a request for proposals for the development and construction of qualified renewable energy generation projects in northern Maine designed to connect to and transmit generated power using the line or lines to be constructed pursuant to subsection 2. The commission shall make every effort to ensure that the competitive bidding process directed by this subsection results in the approval of contracts pursuant to paragraph E ~~no later than November 1, 2022~~. As part of the request for proposals under this subsection, the commission shall make available to potential bidders any relevant information submitted to the commission by the bidder or bidders whose proposal or proposals were approved for contracting under subsection 2. The commission may develop a request for proposals and evaluate proposals in coordination with other states or entities. Except as provided in paragraph B, subparagraph (2), renewable energy generation projects on which construction commenced prior to September 30, 2022 are not qualified for the purposes of this subsection.

SUMMARY

The amendment replaces the bill, which is a concept draft. It does the following:

1. It requires the Public Utilities Commission, in collaboration with the Governor's Energy Office, to seek other state or entities to partner with for the procurement of infrastructure and renewable energy generation projects;
2. It allows the commission to develop a request for proposals and evaluate proposals in coordination with other states or entities for both infrastructure and renewable energy generation projects; and
3. It requires the commission to issue a request for proposals for infrastructure necessary to connect up to the maximum number of megawatts of renewable energy resource located in northern Maine instead of a 345-kilovolt double circuit generation connection line, or a transmission line or lines of greater capacity.