

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 transmission 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~~ technically feasible, of existing utility and other rights-of-way and other existing transmission or transportation corridors in the construction of the transmission line or lines described in this subsection, and where not technically feasible, then construction of such transmission line or lines underground.

(3) Minimize the need for new generation connection infrastructure, including non-wire alternatives such as storage as transmission, dynamic line rating, advanced power flow control, topology optimization and wire alternatives such as reconductoring transmission lines; and

(34) In the commission's determination, are likely to provide a reduction in transmission costs and costs to Maine ratepayers for electricity over time as more energy is transmitted using the transmission 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 transmission 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~~ 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 MRSA § 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 transmission 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 more than one 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.

Sec. 5. 35-A MRSA §3210-I, sub-§1 is enacted to read as follows:

1. Use of eminent domain prohibited. Eminent domain may not be used in the development or construction of a generation connection infrastructure under the program.

Sec. 6. 35-A MRSA §3210-I, sub-§1 is enacted to read as follows:

1. Community benefits package requirement. The applicant for generation connection infrastructure is required to establish a community benefits package valued at no less than \$4,000 per year per generation connection infrastructure tower included in program, averaged over a 20-year period. This subsection does not affect the property tax obligations of the generation connection infrastructure.

Community benefits package requirement; exceptions. The community benefits package requirement under subsection 6:

Is waived for any expedited generation transmission infrastructure that:

(1) Is owned by a nonprofit entity, a public entity or a quasi-public entity; and

(2) In a host community in which the legislative body has voted to waive or reduce the community benefits package requirement;

(2) On Passamaquoddy Indian territory, as defined in Title 30, section 6203, subsection 6, unless the Passamaquoddy Tribe notifies the commission that it chooses to be considered a host community for the purposes of this program;

(3) On Penobscot Indian territory, as defined in Title 30, section 6203, subsection 9, unless the Penobscot Nation notifies the commission that it chooses to be considered a host community for the purposes of this program; or

(4) On Qualifying Band Trust Land unless the Mi'kmaq Nation notifies the commission that it chooses to be considered a host community for the purposes of this program.

The community benefits package requirement applies to any generation connection infrastructure tower of the program that are not exempted under subparagraph (1), (2), (3) or (4).

Nothing in this subsection limits a host community's authority to require an applicant to enter into a community benefit agreement and to fulfill its property tax obligations.

Community benefit agreement payments to counties. When the generation transmission infrastructure is located within an unorganized or deorganized area other than within a plantation, community benefit agreement payments provided to the county as the host community in accordance with this section may be used for projects and programs of public benefit located anywhere within that county.

Sec. 7. 35-A MRSA §3210-I, sub-§1 is enacted to read as follows:

1. Tax Increment Revenue Retention. There shall be no adjustment by the State to a host community's revenue sharing and school funding general purpose aid formulas that would be the result of any increased host community's total assessed valuation and resulting tax increment revenues generated by this program. A host community shall retain, for its general use, all of the tax increment revenues generated from either the generation transmission infrastructure or the energy generation project(s) related to the program, located within the host community.

Sec. 8. 35-A MRSA §3210-I, sub-§1 is enacted to read as follows:

1. Feasibility Study. The commission, in corporation with the Governor's Energy Office, shall contract with an independent engineering firm, with the consummate expertise, to perform a feasibility study of the program. The findings of such study will be presented to the legislative committee with oversight of such matters, and that committee may propose further legislation in consideration of those findings. Such study to be completed, and reviewed by that committee, prior to the issuance by the commission for requests for proposals for generation connection infrastructure and renewable energy generation project(s). The study will at a minimum consider the following as it relates to the program: 1) the State clean energy goals, 2) existing and future electrical transmission and distribution infrastructure and integration, 3) scenic,

environmental, historical site, economic, recreational, socio-economic impacts, 4) public health and safety, 5) cost/benefit analysis of the program, 6) electric grid reliability and resilience, 7) community input into the design, siting and development of the program, 8) broadband integration, 9) regulatory and permitting challenges, 10) long term maintenance and repair, 11) cost allocation between developers, owners, States and ratepayers, 12) decommissioning, 13) transmission agreements and 14) power purchase agreements, 15) a cost comparison, including both HVAC and HVDC, of an aerial installation versus a burial installation of the applicable generation transmission infrastructure, both within existing and new utility and other rights-of-way and other existing transmission or transportation corridors.

Sec. 9. 35-A MRSA §3210-I, sub-§1 is enacted to read as follows:

1. State Multi-Use Trails. For purposes of this program, the transmission line or lines may cross a multiple-use Rail Trail managed by the State Bureau of Parks and Lands without being deemed as substantially altering the land and therefore need not be approved by the vote of 2/3 of all members elected to each House of the Legislature.

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.
4. It requires the commission to consider alternatives that minimize the need for new generation connection infrastructure.
5. It prohibits the use of eminent domain for the generation connection infrastructure under the Northern Maine Renewable Energy Development Program.
6. It allows host communities to retain any increased tax revenue generated by the program without losing any existing State school funding general purpose aid or revenue sharing monies.
7. Requires a feasibility study of the program.
8. Define that the crossing of a State multi-use rail trail is not a substantial alteration of the land and does not require 2/3 legislative approval.

Submitted by: Steven Ingalls – Stetson Maine 1/11/24