

Maine Energy & Utilities Committee

Oral Testimony of Clearway Energy on LD 1963, An Act Regarding the Future of Renewable Energy Transmission in Northern Maine

January 11, 2024

Thank you for the opportunity to speak to you today. My name is Shaun Chapman, and I serve as Head of External Affairs-East Region for Clearway Energy.

Clearway is one of the largest renewable energy companies in the United States, with over 10 GW of operating capacity and another 30 GW of utility-scale wind, solar, and energy storage projects under development across 30 states. In the ISO-NE region, we have nearly 150 MW of solar and 45 MW of storage projects in operation (including Colby College's 2-megawatt solar farm), with another 500 MW of wind energy operating across the mid-Atlantic. Clearway takes a conservative and pragmatic approach to project development and to power purchase agreement ("PPA") proposals we submit to potential customers. This allows us to execute PPAs at the prices we bid and to construct and operate renewable energy projects successfully for decades.

Clearway has long seen the potential of Northern Maine wind and we continue to believe in this opportunity. We applaud the members of this committee, the Governor's Energy Office, and the Maine Public Utilities Commission for your commitment to seeing this enormous opportunity through.

We have been actively developing our County Wind farm in southern Aroostook County for more than seven years and have built broad support in the surrounding communities. We have participated in the 3210-G process and the LD 1710 procurement, and now stand ready to deliver under the next iteration of this procurement, which we very much hope can be completed this year. The fundamentals of the County Wind project remain strong. Our analysis suggests we could deliver power at the lowest price available in ISO-NE.

Importantly, we believe this is a crucial year to take advantage of important federal support, like the Inflation Reduction Act, to maximize private sector investment, and minimize costs to rate payers and taxpayers alike.

The efforts of this bill will seize the opportunity to overcome the few final obstacles to unlocking the significant resource in Northern Maine for the benefit of Maine's ratepayers and economy.

In conclusion, as this Committee advances this legislation, we encourage the following:

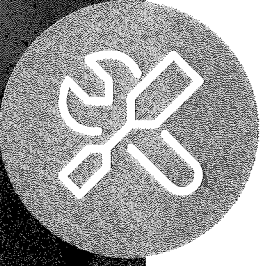
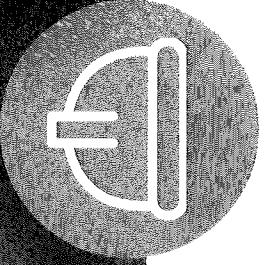
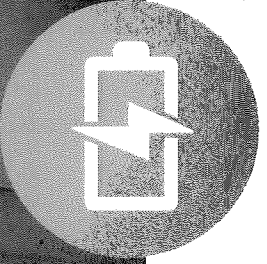
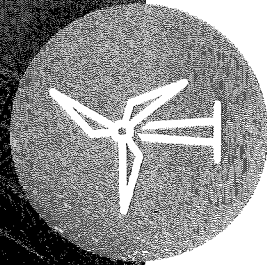
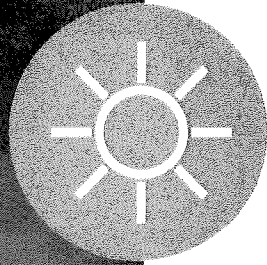
1. Having key stakeholders including the Governor's Energy Office and Public Advocate at the table is important.
2. With respect to the transmission line, we see the benefit of giving developers flexibility in technology choice, as long as that optionality does not result in an underbuilding of transmission line capacity. Given the low cost of northern Maine wind and the inherent

economies of scale in transmission development, it makes sense to build the highest capacity line possible.

3. Consider selecting multiple generation projects to reduce the risk associated with one project encountering execution, contracting, or siting challenges – don't put all Maine's eggs in one basket, so to speak. Selecting multiple projects will also bring more benefits to different communities within the County.
4. Last – we encourage moving quickly – with an RFP process resulting in awards and executed contracts this year - to maximize returns to Maine tax and ratepayers through leveraging federal government assistance.

Thank you all for your time and we look forward to working with you to achieve success.

County Wind Project and Northern Maine Renewable Energy Procurements

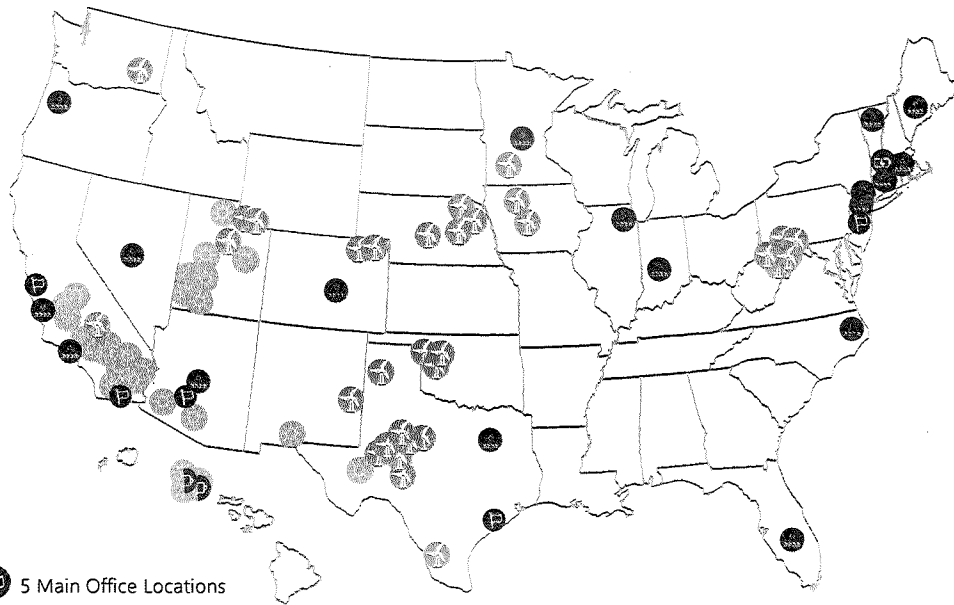


Clearway

January 2024

About Clearway Energy Group

Clearway is one of the largest renewable energy companies in the United States. We participate in every stage of our projects from origination through operations.

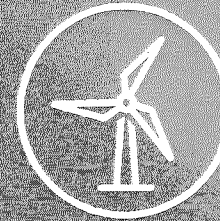


9.5 GW
Gross Capacity Operating
(7 GW under ownership)

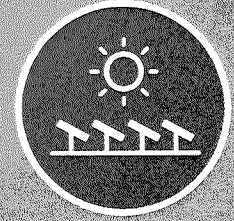
30 GW
Under
Development

800
Employees Across
the Country

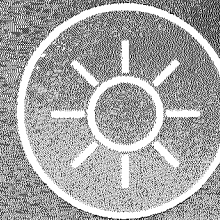
Gross Operating Footprint:



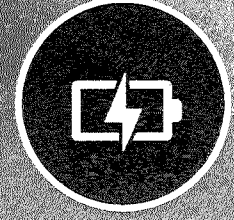
4.2 GW Wind



450 MW Community
& Distributed Solar



2.4 GW Solar



120 MW Energy Storage

100+
Customers with Power
Purchase Agreements

\$12 BN
Capital Raised for
Project Financings

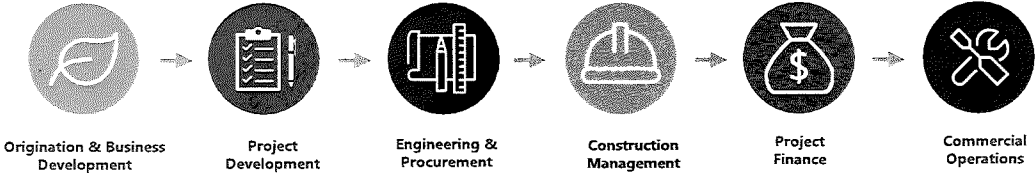


www.clearwayenergygroup.com

How Clearway is Different

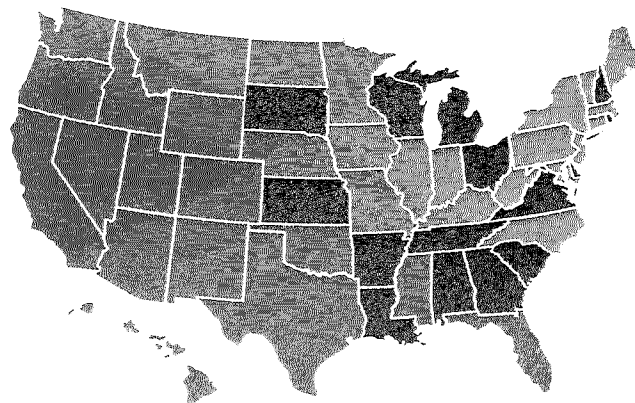
1

Clearway controls all stages of the value chain.



2

Clearway operates a nationwide platform.



States with operating projects or projects in development

4

Clearway has built long-standing relationships.

25+ Financing Partners

500+ Land Owners

30+ Supplier Partners

200+ Utility Relationships

3

Clearway has proven our ability to execute.

350+
Projects in Operation

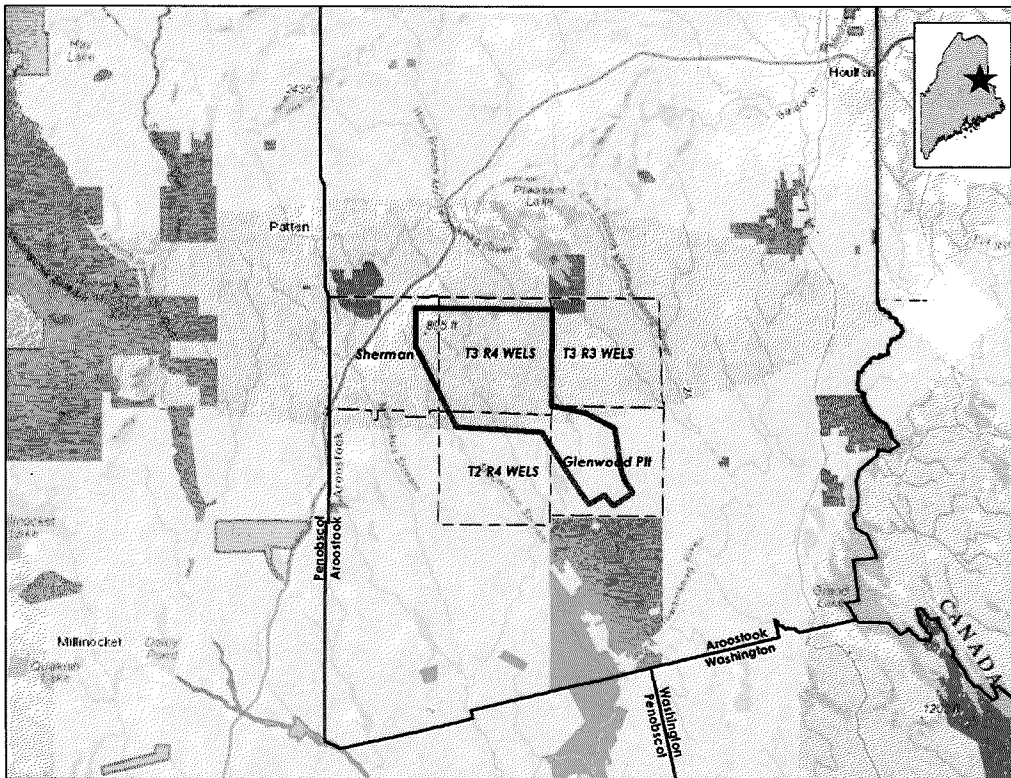
\$12 BN
Capital Raised

100+
PPA Customers

20k+
Community Solar Subscribers

County Wind Project Overview

County Wind remains poised to benefit Maine ratepayers with its 400+ MW of generation capacity located near the ISO-NE grid. County Wind offers a competitively priced option under the next iteration of a Northern Maine RFP.



- County Wind is sited on over 50,000 acres across two landowners, mostly in unorganized territory in southern Aroostook County. The project has been in development for more than a decade. Having generated strong local support, Clearway remains fully committed to constructing the project as will be enabled by a PPA.
- While the project site has potential for up 800 MW of wind capacity, we have identified the 400 MW range as particularly cost-effective
- The project site abuts both the MEPCO and Oakfield generator-lead transmission line corridors
- Since the LD1710 RFP awards in Q4 2022, County Wind's price has not significantly changed despite ongoing inflation/ macroeconomic and supply chain challenges. This underscores Clearway's deep project development experience, and our pragmatic approach to bidding projects.

Northern Maine Renewable Energy Procurements

It is imperative that contracts pursuant to a Northern Maine RFP are executed in a timely manner to i) ensure Maine ratepayers are insulated from the steady increase of energy costs, ii) invest in Northern Maine communities and iii) achieve Maine's bipartisan, ambitious renewable energy goals.

- Selecting low cost clean power generation projects that fill the 1200MW transmission line capacity identified by ISO-NE will materially contribute to Maine achieving 80% by 2030 and 100% by 2050 goals.
- For Maine ratepayers to realize maximum benefits, the PUC should move expeditiously to select new awardees through the RFP process, with contracts finalized in 2024.
- Awarding projects and finalizing contracts this year is likely the only way renewable generation in Aroostook County can be financed, constructed and delivered to Maine customers prior to 2030.
- Failure to act expeditiously and to learn from the failure of the last round of LD 1710 awards will imperil Maine's renewable energy mandate and will result in continued high electric prices and price volatility as natural gas pricing drives ISO-NE pricing.
- As clearly evidenced by terminated contracts in southern New England and repricing of existing contracts approaching \$200/MWh in New York, offshore wind remains challenged by its immaturity as an industry and macroeconomic forces. Offshore wind will likely assist Maine achieve 100% renewables by 2050, but 80% by 2030 will not have offshore contributions.

APPROVED JUNE 29, 2021 BY GOVERNOR	CHAPTER 380 PUBLIC LAW
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STATE OF MAINE
—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-ONE
—
S.P. 563 - L.D. 1710

An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine

Be it enacted by the People of the State of Maine as follows:
 Sec. 1. 35-A MRSA §3210-H is enacted to read:
§3210-H. Northern Maine Renewable Energy Development Program
 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.

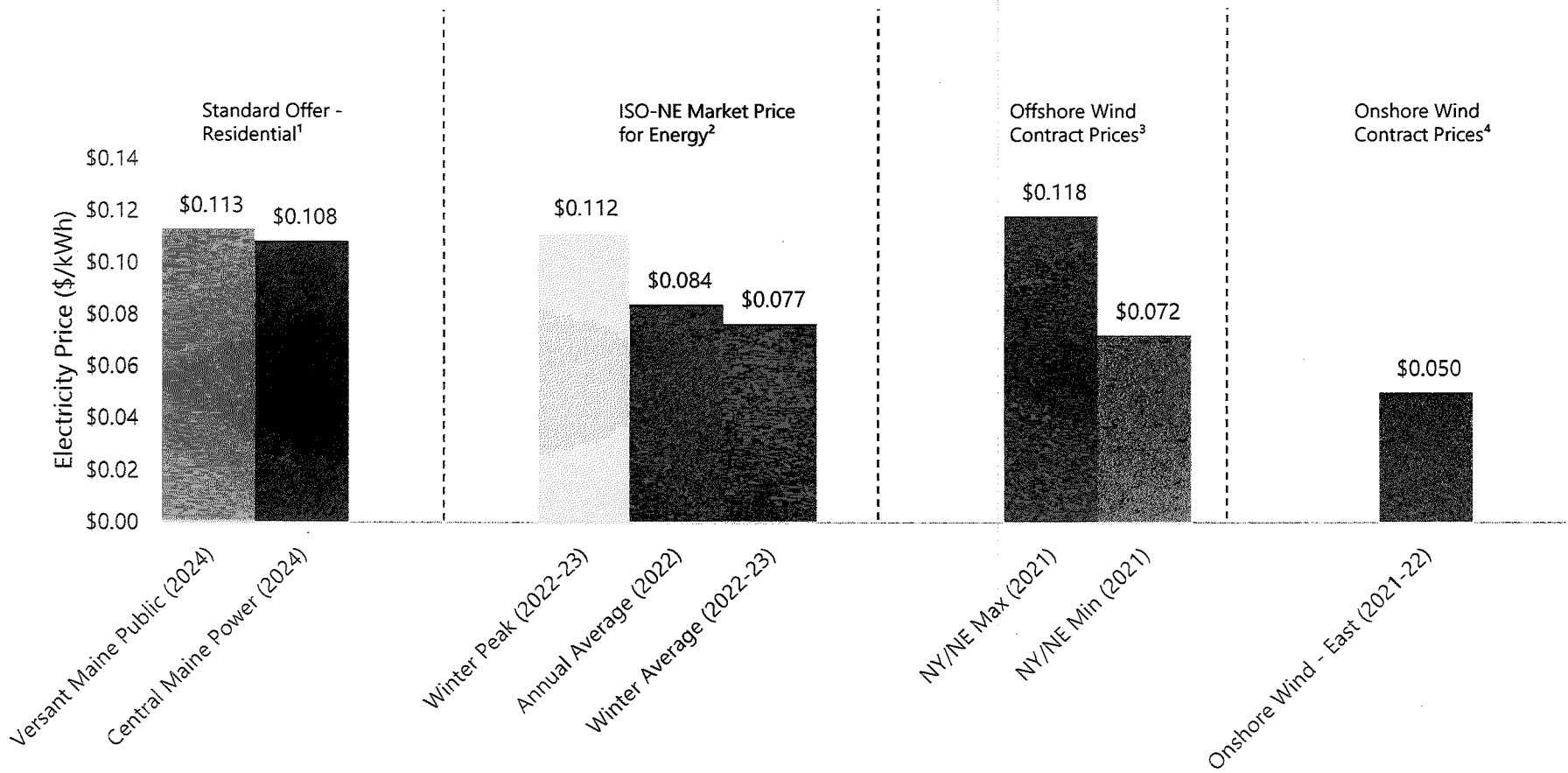
APPROVED JUNE 30, 2023 BY GOVERNOR	CHAPTER 371 PUBLIC LAW
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STATE OF MAINE
—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-THREE
—
S.P. 792 - L.D. 1943

An Act Regarding Future Energy Procurements for Renewable Energy Development in Northern Maine

Be it enacted by the People of the State of Maine as follows:
 Sec. 1. 35-A MRSA §3210-I, sub-§3-A is enacted to read:
3-A. Requests for proposals; additional generation capacity. The commission shall issue a request for proposals for the development and construction of renewable electric generation projects in northern Maine, in addition to those selected under subsection 3, in order to maximize the utilization of the capacity of the transmission line proposal selected under subsection 2. The commission shall:

Onshore Wind Energy: A Low-Cost Resource



1. Maine Standard Offer: <https://www.maine.gov/energy/electricity-prices>

2. S&P Capital IQ Day-Ahead Around the Clock Monthly Average

3. U.S. DOE Offshore Wind Market Report 2023 (nominal levelized prices): <https://www.energy.gov/eere/wind/articles/offshore-wind-market-report-2023-edition>

4. U.S. DOE Land-Based Wind Market Report: 2023 Edition (nominal levelized prices): <https://www.energy.gov/eere/wind/articles/land-based-wind-market-report-2023-edition>



Thank you! Questions?

Contact us

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