

Committee on Energy, Utilities and Technology % Legislative Information Office 100 State House Station Augusta, ME 04333

February 20, 2024

Re: Testimony in Opposition to LD 2205, Resolve, to Require the Public Utilities Commission to Initiate a Feasibility Study to Evaluate Transmission Technologies and Siting Locations for Any Future Electric Transmission Line Proposed Pursuant to the Northern Maine Renewable Energy Development Program

Dear Senator Lawrence, Representative Zeigler, and Members of the Committee:

On behalf of the Maine Renewable Energy Association (MREA), thank you for the opportunity to present testimony in opposition to LD 2205, *Resolve, to Require the Public Utilities Commission to Initiate a Feasibility Study to Evaluate Transmission Technologies and Siting Locations for Any Future Electric Transmission Line Proposed Pursuant to the Northern Maine Renewable Energy Development Program.* MREA is a not-for-profit trade organization of members that sustainably manufacture electricity from hydro, biomass, wind, tidal, and solar, as well as supporters of the renewable energy industry.

LD 2205 would compel the Maine Public Utilities Commission (Commission) to contract with an independent firm to study the feasibility of a transmission line to be procured as part of the Northern Maine Renewable Energy Development Program ("Northern Maine Program"). The study would be multi-faceted, including identification of technologies and methods for development and construction of the line, as well as possible routes for the transmission corridor. With respect to each proposed "solution", the study would include the extent to which the line advances clean energy goals; infrastructure demands; environmental, community, and health impacts; and economic impacts. The study would result in a report, which would include preferred technologies and recommended siting locations, that must be submitted to this Committee. The resolve also requires that the request-for-proposals pursuant to the Northern Maine Program be put on hold until the Second Regular Session of the 132nd Legislature is adjourned–approximately Summer 2026.

MREA strongly believes that, as also implied by LD 2205, the transmission and generation projects resulting from the Northern Maine Program must be developed, constructed, and operated in a cost-effective and environmentally- and community-sensitive manner.

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However, MREA opposes LD 2205 because we believe that project developers, the Maine Legislature, the Commission, and the Maine Department of Environmental Protection (DEP) already have policy, practices, and procedures in place that assess and make decisions based on project feasibility. As such, we believe this resolve is not a productive use of state resources. Furthermore, MREA believes that LD 2205 will unnecessarily delay the Northern Maine Program.

The Northern Maine Program was established by the Legislature through enactment of an Act to Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine, P.L. 2021, Chapter 380, now codified as 35-A M.R.S. § 3210-I ("LD 1710"). The Act requires the Commission to issue a request for proposals (RFP) for a transmission line or lines, as well as renewable energy generation projects that connect to and transmit power across the line or lines procured. The Act specifies the criteria to be used by the Commission to evaluate proposals. Transmission proposals must be evaluated based on cost; economic benefits to Northern Maine; the qualification of the bidders; the long-term viability of the proposed project; and the anticipated contribution of each proposal toward the achievement of the State's renewable energy goals. The statute also requires the Commission to give preference to transmission proposals that "demonstrate the most cost-effective and efficient transmission access to renewable energy resources" in Northern Maine and that will "maximize benefits to the State", among other stated preferences. Each of these criteria and preferences are aligned with the information to be gathered through the enactment of LD 2205. It is in the express interest of bidders to submit proposals that will be evaluated favorably and thus, the RFP as directed by the Legislature and implemented by the Commission serves an existing, important role in the determination of project feasibility.

So too does a Certificate of Public Convenience and Necessity (CPCN). New transmission lines of 69 kilovolts or more must obtain a CPCN from the Commission, pursuant to 35-A M.R.S.A. § 3132 and the Commission's Chapter 330 rules. In their determination of whether to grant a proposed transmission line a CPCN, the Commission must take into account public health and safety; scenic, historic and recreational values; and proximity to inhabited dwellings, among other considerations. Each of these considerations is aligned with LD 2205's proposed study.

Finally, but not exclusively, the DEP's Site Location of Development Act ("Site Law") achieves many of the goals contemplated by LD 2205. Site Law is DEP's primary environmental and land use permit and must be secured by projects that impact 20 acres or more land (among other triggers). The Site Law permitting process and standards are rigorous. Often, if not always, applicants meet with the DEP to introduce their project and to receive feedback on how the project's environmental impact, if any, may be avoided, minimized, or mitigated. The back-and-forth between the applicant and DEP can be prolonged and in-depth, resulting in significant modifications to the originally-proposed project. For example, as a result of feedback from DEP and project opponents, the New England Clean Energy Connect project (a 145-mile transmission line project in Western Maine) agreed to bury a portion of the line underneath the Kennebec Gorge to preserve the scenic and recreational value of the gorge.

MREA, Testimony in Opposition to LD 2205 February 20, 2024 Page 2 Site Law requires that approved projects have "no adverse impact on the natural environment" and that the applicant make "adequate provision for fitting the development harmoniously into the existing natural environment and that the development [not] adversely affect existing uses, scenic character, air quality, water quality or other natural resources in the municipality or in neighboring municipalities." See 38 M.R.S. § 484(3) (2023). This standard, accompanied by DEP's associated process for determining whether that standard can or has been achieved, is aligned with the goals of the resolve's study.

As demonstrated, the 130th Legislature's LD 1710; the Commission's RFP and bidders' interest in submitting proposals that will evaluated favorably by the Commission; the Commission's CPCN; and the DEP's Site Law permitting process; as well as other local, state, and federal permits, collectively, gather the information desired by this resolve's proposed study, as well as assess proposed projects based on the information given. As such, the study is not an efficient and effective use of State funds. Notably, each of the described standards and processes also have associated public engagement, comment, and feedback opportunities, including public testimony opportunities.

Furthermore, LD 2205 would unnecessarily delay the Northern Maine Program for over two years. Such a delay could effectively terminate the program, because it could cause cost increases for ratepayers and reduce competition in the procurement process. The Program will play a big role in bringing online clean, cost effective, Maine-made electricity, while bringing economic benefit to Northern Maine and beyond.

MREA strongly urges the Committee to vote Ought Not to Pass on LD 2205. Thank you for your consideration of our testimony. MREA welcomes continued engagement with the Committee as they debate this bill.

Sincerely,

Elija Dragnue

Eliza Donoghue, Esq. Executive Director