



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

March 20, 2025

Re: Public Hearing, LD 300, Resolve, to Direct the Public Utilities Commission to Study Expanding the Use of Hydroelectric Power and the Development of a Geothermal Power Plant in the State

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

Thank you for the opportunity to share testimony neither for, nor against LD 300, *Resolve, to Direct the Public Utilities Commission to Study Expanding the Use of Hydroelectric Power and the Development of a Geothermal Power Plant in the State*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, biomass, and tidal energy generators and developers of such projects, as well as companies that provide services to those producers, such as environmental engineers, electricians, and general contractors.

Among other initiatives, LD 300 would compel the Maine Public Utilities Commission (MPUC) to study the hydroelectric power industry in Maine, including opportunities to expand or relocate existing facilities, evaluating new technologies to improve or expand the industry, and considering whether former facilities could be restored. MREA agrees with the intent of this bill—to advance hydropower in Maine—and take this hearing as an opportunity to share where we're focusing our efforts in what is a shared pursuit.

Hydropower accounts for over 30% of Maine's renewable energy generation, nearly always outperforming other renewable energy sources. In addition to the substantial carbon-free megawatts that hydropower in Maine contributes to our regional grid, hydropower is a critical component of a diverse energy resource mix because it is exceptionally reliable and can be easily dispatched. Hydropower can and does provide baseload energy supply, working in tandem with intermittent resources like solar and wind.

Unfortunately, hydropower is also capital intensive and has a long payback period, making the economics of new projects—and sometimes even investments in project expansion and upgrades—cost prohibitive. The Maine Legislature has previously compelled a very similar

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study to the study proposed in LD 300. The "Maine Hydropower Study" prepared by the Maine Governor's Energy Office and published in February 2015 showed that Maine has 110 total powered and non-powered dams with potential for 193 megawatts of additional capacity. However, the same study narrowed those numbers to 43 sites and 56 megawatts due to environmental and regulatory considerations. That, coupled with the capital intensive reality of hydropower, supported the report's recommendation (among other recommendations) that attention be focused on investing in existing hydropower facilities in Maine.

MREA supported that recommendation in 2015 and supports the recommendation today. Specifically, the recommendation that Maine's Renewable Portfolio Standard (RPS) and eligibility requirements be revised so that more hydropower projects are eligible for Class I. In MREA's view, this could be accomplished by making the following change to definition of "Qualified hydroelectric output" in Title 35-A, Section 3210, subsection 2, B-5:

B-5. "Qualified hydroelectric output" means the following annual percentages of the total electrical output of a hydroelectric generator licensed by the Federal Energy Regulatory Commission that is a renewable capacity resource and that on January 1, 2019 had a total nameplate capacity of at least 25 megawatts, as specified in the license issued by the Federal Energy Regulatory Commission, is located outside of the critical habitat designated for historic freshwater range of the Gulf of Maine distinct population segment of Atlantic salmon as defined by the National Oceanic and Atmospheric Administration, National Marine Fisheries Service in 74 Federal Register, 2930029299 (2009) and 3990329343 (2009), and is interconnected to an electric distribution system located in the State...

This change would have the effect of increasing the geographic area within which hydropower projects in Maine are deemed eligible for procurement of Class I resources which, because the class already includes new renewable energy projects, will very likely dominate near-future state procurements. This change, along with other potential refinements to Maine's RPS policy, would create a potential revenue stream for existing hydropower in Maine so that it may be retained to meet Maine's clean energy goals. Indeed, reinvestment in Maine's existing renewables fleet is a component of Maine's 2025 Energy Plan.¹

We encourage the Committee to consider this testimony should it pursue policies to support hydropower in Maine.

Sincerely,



Eliza Donoghue, Esq.
Executive Director

¹ See Strategy B in Maine Energy Plan, Maine Governor's Energy Office, January 2025.