

STATE OF MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION



TESTIMONY OF

LAURA PAYE, HYDROPOWER COORDINATOR MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION

SPEAKING IN OPPOSITION TO L.D. 212

AN ACT TO REQUIRE THE VALUATION OF ENERGY PRODUCED BY HYDROPOWER DAMS AND EXPLORATION OF ALTERNATIVE OWNERSHIP OPTIONS BEFORE THEY ARE REMOVED

PRESENTED BY REP. CAMPBELL

BEFORE THE JOINT STANDING COMMITTEE

ON

ENVIRONMENT AND NATURAL RESOURCES

DATE OF HEARING:

APRIL 7, 2025

Senator Tepler, Representative Doudera, and members of the Committee, I am Laura Paye, the Hydropower Coordinator for the Bureau of Land Resources in the Maine Department of Environmental Protection, speaking in opposition to L.D. 212.

L.D. 212 proposes to amend the Maine Waterway Development and Conservation Act (MWDCA) so that the Department may not approve a permit to remove a hydropower dam unless the dam owner has (1) provided a monetary evaluation of the dams'

L.D. 212: An Act to Require the Valuation of Energy Produced by Hydropower Dams and Exploration of

Alternative Ownership Options Before They Are Removed

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generating capability, and (2) demonstrated that the applicant made all reasonable efforts to sell the dam before seeking removal.

The owner of a hydropower project that applies for Department approval to remove a dam will have already assessed its power generation value, and it is not unreasonable to require an owner to provide that information with their application. However, the Department does not support changing the law to prohibit the owner of a hydropower dam from removing the structure unless they demonstrate that they cannot sell it. This requires the Department to become the arbiter of private property transactions, subjectively evaluating whether a dam owner's failed sales negotiations are sufficient to demonstrate they made a "reasonable effort."

Hydropower is an important part of Maine's renewable energy portfolio, but if a hydropower dam is no longer viable, it is unreasonable to expect anyone else to purchase the dam to generate power, as the purchaser would be purchasing a liability. Furthermore, by the time an applicant applies to the Department to remove a hydropower dam, it has likely already gone through the license surrender process with the Federal Energy Regulatory Commission (FERC). If so, the hydropower dam is no longer licensed to produce power. The owner of such a structure would either need to incur maintenance costs to continue to impound water, or remove the dam.

Additionally, the Department notes that an application to remove a hydropower dam under the Maine Waterway Development and Conservation Act would require the Department to consider the benefits and impacts of a proposed dam removal project. 38 M.R.S. §635(1) requires the Department to evaluate the public interest in replacing oil with hydroelectric energy when evaluating an application. 38 M.R.S. §636 requires, among other things, that a proposed project must result in economic benefits to the public. This section also requires that the project must meet applicable state water quality standards. If the applicant is proposing to remove a dam because leaving the dam in place would violate state water quality standards, this requirement will weigh heavily in the Department's decision making.

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Thank you for the opportunity to provide testimony on this bill. I would be happy to provide information in response to questions you've already raised today, or to answer any other questions you may have for the Department.