

Testimony Neither for Nor Against LD 1860 An Act to Allow Certain Distributed Energy Resources to Participate in the State's Net Energy Billing Program May 6, 2025

Senator Lawrence, Representative Sachs, and members of the committee, my name is James Cote and I am here on behalf of Versant Power to provide testimony neither for nor against LD 1860.

As the bill summary states, LD 1860 authorizes two specific projects to participate in the net energy billing program, despite the projects' failure to meet certain eligibility criteria.

The Net Energy Billing program was created by the Legislature, and we understand that it is within the Legislature's purview to make policy decisions regarding changes to that program.

When making such policy decisions, we believe it is important for the committee to have accurate information. Below we provide a description of the interconnection history of the two projects specified in LD 1860. We note that some of this information does not align with the language contained in several "whereas" clauses in the bill's preamble and request that, should the committee move forward with this legislation, that language be amended for accuracy. Specifically, in neither case was a project unable to participate in NEB because of delays caused by Versant Power.

Regarding one project, the current bill language states that:

"Whereas, Ameresco Solar, LLC's 1.99-megawatt project missed the deadline set forth in the Maine Revised Statutes, Title 35-A, section 3209-A, subsection 9 due to external delays caused by Versant Power's lengthening procurement lead time for its interconnection equipment after Ameresco began constructing the project...."

It is true that this project experienced an equipment supply chain delay, however this was not caused by Versant Power as the above language could suggest.

As part of the interconnection process, governed by MPUC rules, a utility is responsible for ordering equipment necessary to safely interconnect a qualified project. Versant does not manufacture such equipment – in this case, regulators – and had no ability to influence the timeframe by which they are manufactured.

We believe a more accurate clause would read:

"Whereas Ameresco Solar, LLC's 1.99-megawatt project missed the deadline set forth in the Maine Revised Statutes, Title 35-A, section 3209-A, subsection 9 due to caused by Versant Power's lengthening



procurement lead time long lead times on procuring interconnection equipment from third party vendors after Ameresco began constructing the project...."

Regarding the second specific project, the current bill language reads:

"Whereas, Nordic Sun Energy, LLC's 3-megawatt project experienced external delays in Versant Power's transmission impact study that prevented execution of its interconnection agreement and the start of its initial impact study as required to satisfy the Maine Revised Statutes, Title 35-A, section 3209-A, subsection 7, paragraphs A to E...."

Such language could be read to suggest the project became ineligible due to a delay caused by Versant's transmission impact study. As detailed below, the timing of the transmission impact study (also known as a cluster study) had no distinct bearing on the project's ability to meet its statutory requirements.

Versant Power understands that the legislature may choose to deem these projects to be eligible for Net Energy Billing. Should it do so, we ask that revisions be made to the preamble that more accurately reflect the facts of these specific cases.

Further detail on the timeline of each project is below for your consideration and we would be happy to answer any additional questions or provide information for the work session.



Timeline for Ameresco Solar, LLC's 1.99-megawatt project:

- This project did not reach commercial operation by December 31, 2024, because of a long lead time on regulators.
 - o In March 2023, the expected lead time of this interconnection equipment was a standardized 34 weeks, and this is what Versant originally communicated to Ameresco.
 - o In April 2023, Versant notified Ameresco that the lead time of the regulators had increased to 64 weeks and the new project in-service date was November 25, 2024.
 - o In June 2023, Versant notified Ameresco that the lead time had increased to 75 weeks and the new in-service date was February 11, 2025.
- This project filed a petition for a good cause exemption (2024-00108) and was denied based on the Commission's finding that Ameresco failed to establish that it received the March 2023 construction schedule prior to moving ahead with construction of its project.
 - Ameresco filed a petition for reconsideration, supported by a Versant affidavit that Versant Power shared the March 2023 construction schedule with Ameresco in a weekly meeting, but that petition was denied.
 - o Ameresco filed a notice of appeal to the Law Court on February 11, 2025.
- Versant Power received a Certificate of Completion package from the developer on November 27, 2024.

Timeline for Nordic Sun Energy, LLC's 3-megawatt project:

- A project meets the requirements of 35-A M.R.S. § 3209-A(7), which provides that a DG resource between 2-5 MW may be used for net energy billing only if it can demonstrate at least one of the following:
 - o The interconnection agreement (IA) is dated on or before December 31, 2020.
 - Nordic Sun Energy's IA is dated November 28, 2022.
 - The net energy billing agreement (CNEBA) is dated on or before December 31, 2020.
 - Nordic Sun Energy's CNEBA is dated November 4, 2022.
 - A complete application for a CNEBA was submitted by April 30, 2021, showing subscribers for 90% or more of the capacity of the project.
 - Nordic Sun Energy's CENBA application is dated May 11, 2022.

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- A CNEBA was fully executed by April 30, 2021, showing subscribers for 90% or more of the capacity of the project.
 - Nordic Sun Energy's CNEBA is dated November 4, 2022.
- For projects within Versant's MPD service territory, the interconnection study process began on or before June 1, 2021.
 - The interconnection study process for Nordic Sun Energy's project began on June 21, 2021.
- This project submitted an interconnection application to Versant Power on May 5, 2021.
 - At that time, the only way a project could have qualified under 35-A M.R.S. § 3209-A(7)(A)-(C) was to begin the interconnection study process on or before June 1, 2021.
- The project's timeline from application submission to study process is as follows:

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0	05/05/21	Application received
0	05/21/21	Cluster Study Agreement received
0	05/24/21	Level 4 screening complete
0	05/25/21	QP# assigned
0	05/26/21	PRJ# assigned
0	05/28/21	Scoping meeting
0	06/15/21	Developer submitted revised documents
0	06/16/21	Application confirmed complete
0	06/21/21	SIS Estimate sent to Developer w/ System Impact Study Agreement (SISA)
0	06/22/21	SISA returned from Developer, SIS initiated

- The cluster study approval letter was sent to Nordic Sun Energy on August 31, 2021.
 - At that time, the SIS was already underway (and had been for more than two months),
 so the timing of the cluster study had no bearing on the beginning of the SIS.
- Pursuant to 35-A M.R.S. § 3209-A(7), the DG resource must also demonstrate <u>all of the following</u>:
 - The IA was fully executed on or before December 31, 2021.
 - Nordic Sun Energy's IA was fully executed on November 28, 2022.
 - All applicable permit applications were submitted to the Department of Environmental Protection and the department accepted those applications for processing on or before December 31, 2021.
 - Versant Power is not involved with the permitting process and has no information about this requirement.



- All necessary local, nonministerial permits were received on or before December 31, 2021.
 - Versant Power is not involved with the permitting process and has no information about this requirement.
- o The project must reach commercial operation on or before December 31, 2024.
 - This project was complete as of December 31, 2024, but it is not currently generating because it not able to participate in NEB.
- Nordic Sun Energy's IA was fully executed on November 28, 2022.
 - o The cluster study approval letter was sent to Nordic Sun Energy on August 31, 2021.
 - o The timing of the cluster study had no distinct bearing on December 31, 2021 IA execution deadline.