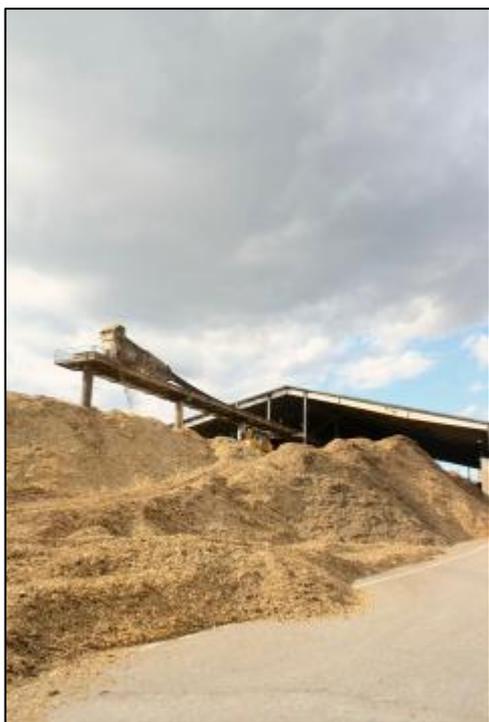




Biomass Power in Maine and Policy Concepts to Support the Industry

Maine State Legislature Biomass Study Commission: August 2, 2016



Overview: ReEnergy Facilities in Maine



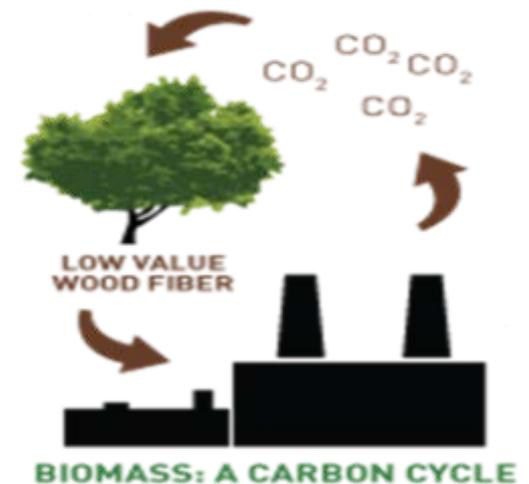
| Facility | Size | No. of Homes Served |
|--------------------------|-----------|--------------------------|
| ReEnergy Ashland | 38 net MW | 38,000 |
| ReEnergy Fort Fairfield | 34 net MW | 34,000 |
| ReEnergy Stratton | 46 net MW | 44,000 + Stratton Lumber |
| ReEnergy Livermore Falls | 37 net MW | 37,000 |

104 direct jobs; 700 est. indirect jobs; \$92.5 mn annual spending



Overview: Biomass Energy in Maine

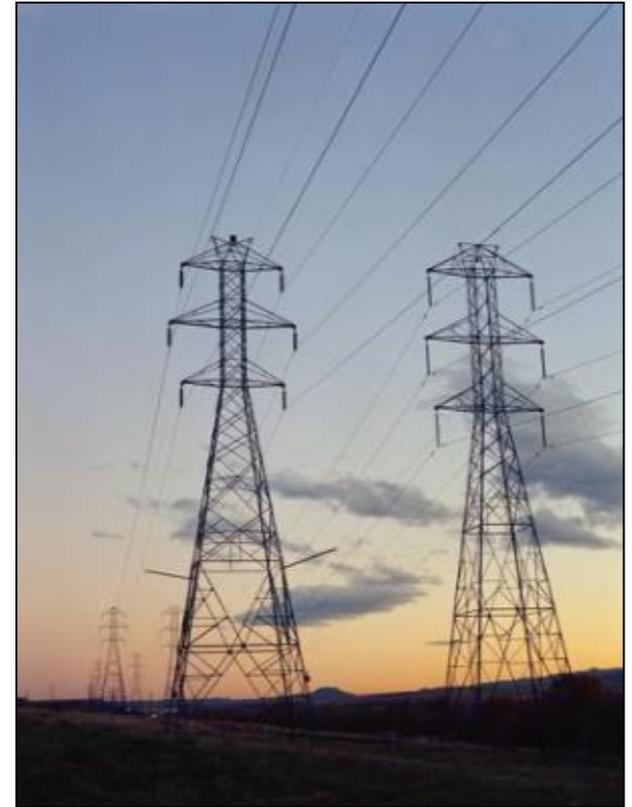
- Serves as market for low-value forest material and mill residue
- Supports rural jobs
- Improves grid reliability as a baseload, dispatchable renewable energy
- Diversifies fuel mix and reduces rate volatility
- Enhances forest health -- encourages forest growth and regeneration and controls disease and pests
- Displaces fossil fuels/mitigates climate change/avoids release of methane gas
- Meets stringent environmental standards due to investments in technology
- Meets or exceed designed efficiency targets



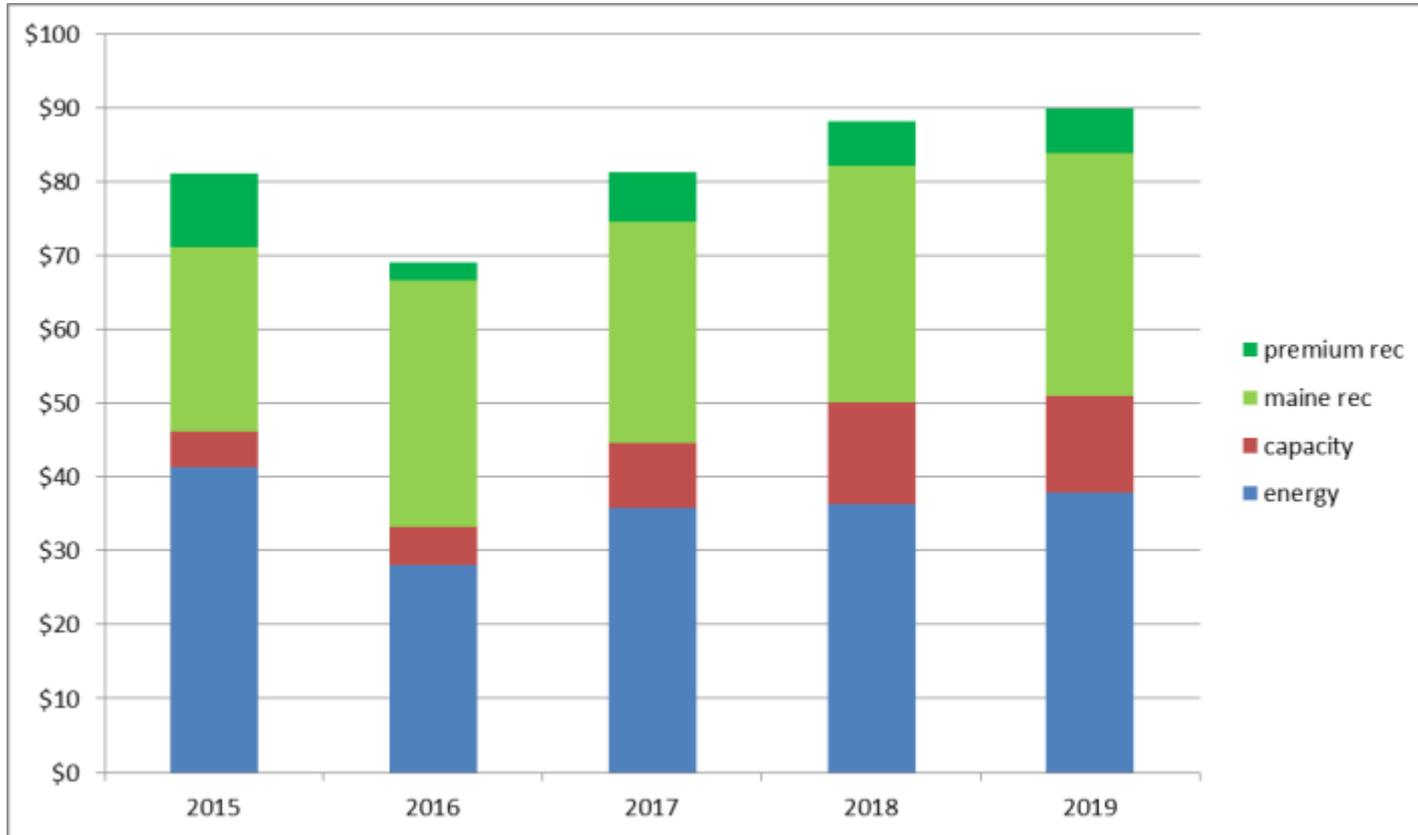


Challenges

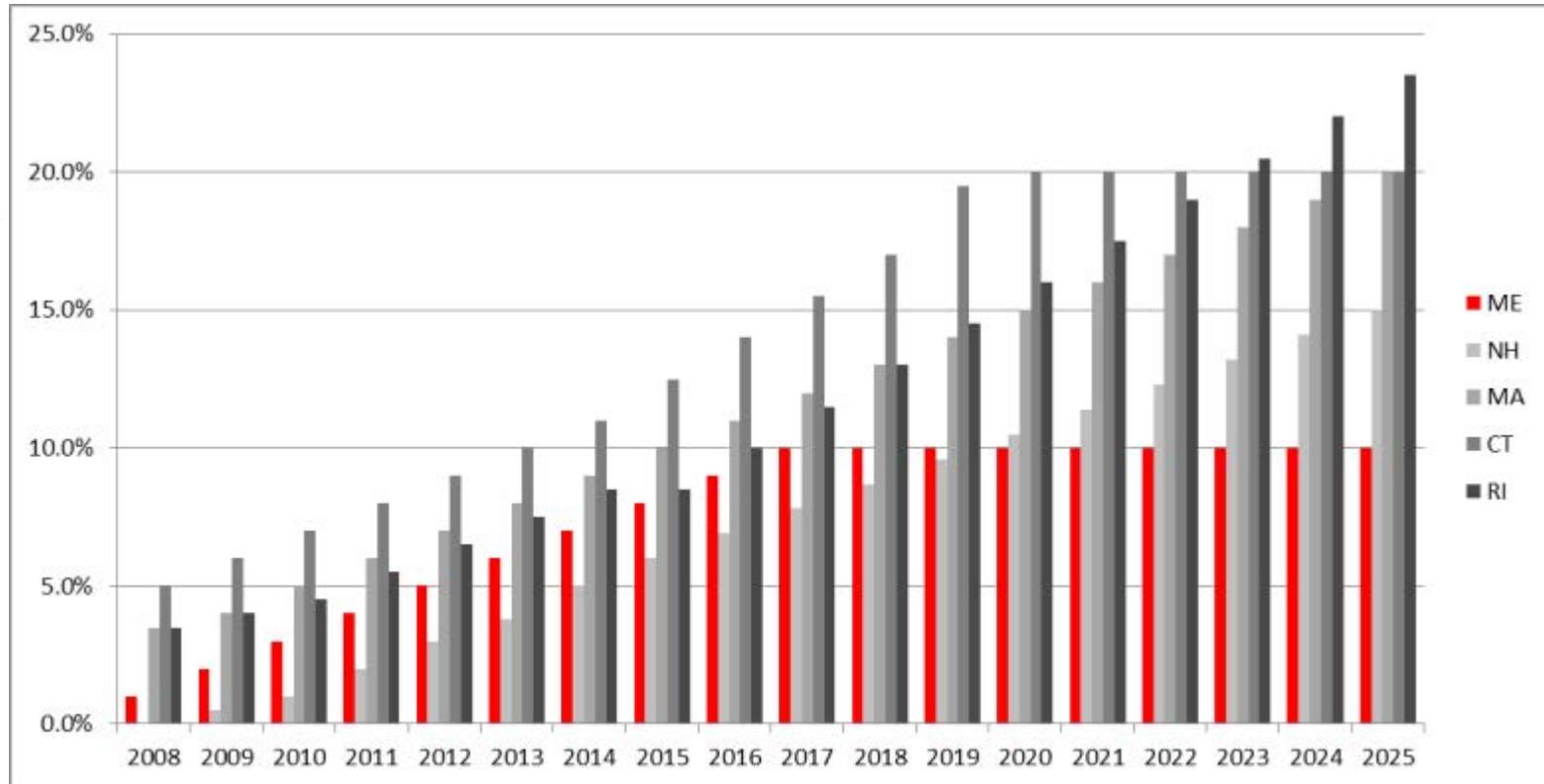
- **Record-low wholesale electricity prices**
- **Lack of stability in New England renewable energy policies**
- **High and increasing transmission costs, particularly for facilities wheeling out of NMISA region**
- **Disruption of higher-value fiber markets/logging infrastructure**



Biomass Revenue Stream



RPS Class I Procurement Standards – New England



A comprehensive energy policy for biomass:

- ✓ Co-location
- ✓ Robust RPS policy in ME and New England

- **Co-location**

- Legislation and regulatory policy encouraging behind-the-meter configurations/microgrids
- Enable co-located systems that need to cross public rights-of-way
- Create Econ. Dev. incentives for co-location; focus efforts on marketing properties adjacent to standalone biomass power plants

- **Robust RPS Policy**

- Update ME RPS
 - Create thermal class
 - Extend RPS targets beyond 2017
- Encourage inclusion of biomass in other New England RPS programs



ReEnergy



Thank
You

