

Testimony to the Joint Standing Committee on Agriculture, Conservation and Forestry in support LD 1227, An Act to Balance Renewable Energy Development with Natural and Working Lands Conservation

4/10/23

Amy Winston, Senior Director, State Policy, CEI

Dear Senator Ingwersen, Representative Pluecker, and Distinguished Members of the Committee:

My name is Amy Winston, and I am Senior Director of State Policy at Coastal Enterprises, Inc. (CEI). I live in Edgecomb. I am submitting this testimony on behalf of CEI, to express our organization's support for LD 1227 (as amended).

CEI is a private, non-profit Community Development Corporation (CDC) and Community Development Financial Institution (CDFI) based in Brunswick. CEI was founded in 1977 to develop job-creating naturalresource-based business ventures in Maine's rural and coastal regions. Today we continue to work to build a just, vibrant, and climate resilient future for people in communities in Maine and other rural regions. We do this by integrating finance, business expertise and policy solutions in ways that make the economy more equitable. In 2018, CEI established a subsidiary, <u>Bright Community Capital</u>, to increase access to solar energy and specifically to bring cost-effective solar power to low-income communities and neighborhoods.

CEI has a 46-year history of investment in Maine agriculture. We provide business services including free sector-specific business advising and technical assistance, and by making loans and investments in new and existing farm and food related businesses. Our focus on and commitment to Maine's agricultural and natural resource industries has only grown: since 2018, CEI has provided \$17.5 million in financing to food and agriculture related enterprises, helping them to create or maintain 1,986 local food economy jobs, and providing customized technical assistance to 412 farmers and food entrepreneurs. CEI's <u>low-cost solar financing</u> has helped over 40 businesses to go green with \$22 million in loans leveraging \$45 million in investments across Maine and New England to install solar arrays, generating enough kWhs to power 3,500 homes. These loans prioritize low-income entrepreneurs and business owners from populations that have historically lacked access to credit and capital. For its part, Bright Community Capital, has provided \$2.3 million in financing to developer for solar projects and owns 1.6 MWs in projects bringing affordable solar power to non-profits, municipalities and affordable housing.

Our missioned approach to photovoltaics understands that without access to credit and capital, lowincome consumers are unable to qualify for a loan or federal tax incentives. Credit risk (real or perceived), smaller project sizes, developer balance sheet capacity, and technical assistance needs are additional hurdles (see <u>Carsey Institute of Public Policy White Paper on Scaling Solar Equitably 2021</u>). For this reason, CEI was named to the Distributed Generation Stakeholder Group convened by the Governor's Energy Office pursuant to LD 936 (P.L. 2021, Ch. 390) to advise and assist in making





recommendations for a cost-effective successor program for distributed renewable energy program that is equitable in benefitting ratepayers and energy burdened households and guiding the responsible siting of solar installations in a way that is compatible with agricultural land use.

LD 1227 reflects the intent of the Distributed Generation Stakeholder Group to create a successor program that minimizes impacts to working lands. And it is a key recommendation of the Governor's Energy Office Agricultural Solar Stakeholder Group.

CEI supports the proposed process in this bill for developing and implementing a dual-use pilot program that combines solar energy and agricultural production. Specific elements that we believe position this program for success include:

- Interagency and stakeholder coordination, including with research institutions, to develop a plan, eligibility criteria for continued agricultural or horticultural use of the affected land;
- Eligibility of developers, working in collaboration with and the informed consent of landowners, to participate in an application;
- Eligibility of farms that have already deployed as well as those who are planning to install solar energy systems;
- Applied research on compatible crop production, grazing, and other agricultural and horticultural uses of the land containing solar installations to determine best practices for optimizing agricultural and energy production;
- Assessment of any financial, location-based or other incentives for dual- or mixed-use projects, including purposeful consideration of mechanisms needed to minimize the cost of the pilot program on electric ratepayers in the state.

In addition to the research agenda specified in the bill amendment, we feel that it is critical to research the proper solar set-up, including appropriate panel height, optimal row spacing, and other design specifications.

Thank you for considering our testimony. We encourage the committee to vote Ought to Pass on LD 1227.

