



Testimony to the Joint Standing Committee on Agriculture, Conservation and Forestry

neither for nor against

LD 1881, An Act Regarding Compensation Fees and Related Conservation Efforts to Protect Soils and Wildlife and Fisheries Habitat from Solar and Wind Energy Development and High-impact Electric Transmission Lines Under the Site Location of Development Laws

Amy Winston, Senior Policy Director
May 10, 2023

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

My name is Amy Winston, and I live in Edgecomb. I am writing this testimony neither for nor against LD 1881 on behalf of Coastal Enterprises, Inc. (CEI). 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 natural-resource-based business ventures in Maine's rural and coastal regions. 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.

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 our inception. 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 technical assistance to 412 farmers and food entrepreneurs.

CEI is also investing in the transition to clean energy. CEI's [low-cost solar financing](#) has helped over 40 businesses go green with \$25 million in loans leveraging \$45 million in investments across Maine and New England to install solar arrays. Our portfolio generates enough energy to power 3,500 homes annually. These loans prioritize low-income entrepreneurs and business owners from populations that have historically lacked access to credit and capital. In 2018, CEI established a subsidiary, [Bright Community Capital](#), to increase access to solar energy and specifically to bring cost-effective solar power to low-income communities and neighborhoods. For its part, Bright Community Capital has provided \$2.3 million in financing to developers 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, low-income 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 hurdles¹. 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 assist with recommendations for a cost-effective successor program for an equitable and appropriate (from a land-use perspective), cost-effective distributed renewable energy program that is compatible with agricultural land use.

CEI supports the intent of this bill to balance the state’s interest in keeping agricultural land available for food production with its interest in transitioning to renewable energy. By requiring solar developers to pay a compensatory fee, fund conservation efforts or ensure that a comparable amount and quality of land remains available through an easement or off-site preservation option, this bill provides a unique protection to safeguard important agricultural soils and soils of statewide importance. Requiring a mitigation fee for development that occurs on prime agricultural soils and isn’t dual use places value on the practice of food production that is so critical to the state’s health, economy, and culture.

We appreciate that the Departments of Agriculture, Conservation and Forestry and Environmental Protection would collaborate – in consultation with the Governor’s Energy office and the Department of Inland Fisheries and Wildlife – to define “prime agricultural soils”, “soils of statewide importance”, “wildlife and fisheries habitats”, and establish the compensation fee program, fund(s) and fund(s) management structure through rulemaking. While this adds another layer of permitting for solar developers, we feel that having established rules will help make costs predictable and the price for protecting valuable farmland will be worth the added effort. We support the flexible way in which the funds may be managed through public-private partnership and partnership with towns and local organizations.

As drafted, the bill does not reference any intent to apply to developments of a particular size or scale. We respectfully suggest that *this proposal would be more effective if it is restricted/applied to larger. i.e., utility-scale, projects*. This would preserve farmers’ autonomy and flexibility to use their property to develop modest installations to provide the energy needed to run their businesses while ensuring that large tracts of productive farmland are not affected without offsetting the adverse impacts of energy development on food production.

We hope that you will discuss amending the bill to include a comparable suggestion to clarify that this law would apply specifically to large scale energy operations to conserve farmers along with farmland. Thank you for considering our testimony on LD 1881.

¹ See [Carsey Institute of Public Policy White Paper on Scaling Solar Equitably 2021](#)