



Maine Conservation Voters

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Testimony of Maine Conservation Voters
In Support of LD 1350
“An Act To Expand Maine’s Clean Energy Economy”
Before the Energy, Utilities and Technology Committee
April 20, 2021

Good day Senator Lawrence, Representative Berry and members of the Energy, Utilities and Technology Committee. My name is Beth Ahearn, the Director of Government Affairs for Maine Conservation Voters (MCV). MCV works to make conservation a political priority; to address climate change, transition to a clean energy economy, and build an inclusive democracy. MCV testifies in support of LD 1350, with the addition of an amendment presented today by The Nature Conservancy, Maine Audubon and Maine Farmland Trust.

Thank you to Senator Vitelli for sponsoring this legislation, and for sponsoring the Renewable Portfolio Standard (RPS) procurement bill in the 129th (LD 1494) upon which LD 1350 builds. In September of 2020, procurement pursuant to LD 1494 resulted in 450 megawatts (MW) of new solar; new wind power; as well as existing hydropower and biomass for a total of 492 MWs:

<https://www.pressherald.com/2020/09/22/solar-wins-big-in-project-selection-to-advance-maines-clean-energy-goals/>

The average contract rate for the winning bidders of that 2020 procurement was 3.5 cents per kilowatt hour; on par with the price of natural gas, demonstrating that clean energy at a low price *IS* possible. This is encouraging, and necessary for us to transition away from dependence on fossil fuel.

To further Maine along on the road to a clean energy transition, LD 1350 directs the Public Utilities Commission (PUC) to authorize two new rounds of procurement in 2021 for an amount of clean electricity equal to 15% of Maine’s

retail electric sales (in 2019). Unlike the 2020 procurement, this energy must come from new resources (on line after June 30, 2021). The procurements required by LD 1350 would ensure that Maine is on track to meet its statutory requirement of obtaining 80 % of energy sold in Maine is renewable by 2030, and 100% by 2050.

LD 1350 would also require the PUC, when considering RPS bids, give special consideration to selection of projects in economically depressed areas of the State. This provision is vitally important to help ensure a just transition to a clean energy economy, one that benefits all Mainers. Project viability is another important criterion, set forth in the bill, for the PUC to consider when determining bid approval.

While we could not be more excited about all the clean energy coming on line in Maine, we recognize that there has been push back on the siting of some projects because they have negatively impacted natural areas or working farmland. The Natural and Working Land working group of the Maine Climate Council recommended that Maine “Develop policies by 2022 to ensure renewable energy project siting is streamlined and transparent while seeking to minimize impacts on natural and working lands and engaging key stakeholders.”

For these reasons, Maine Conservation Voters supports the amendment, developed by The Nature Conservancy, Maine Audubon and Maine Farmland Trust, that would require the PUC, when considering projects that have similar costs and benefits, to choose the project that has lesser impact on natural and working lands. The amendment language is included, highlighted in yellow, at the end of my testimony.

Thank you for considering this amendment. We urge you to vote “Ought to Pass” on LD 1350 with the amended language included. I will be available at the work session to answer any questions you may have.

C. In conducting a solicitation and selecting Class IA resources with respect to the competitive solicitations described in paragraph A, subparagraphs (1) and (2), ~~for contracts under this section,~~ the commission shall weigh the benefits to ratepayers and the benefits to the State's economy as follows:

C.-1 In conducting a solicitation and selecting Class IA resources with respect to the competitive solicitations described in paragraph B-1, subparagraphs (1) and (2), the commission shall weigh the benefits of each bid as follows:

(1) A weight of 70% must be given to the benefits to ratepayers;

(2) A weight of 15% must be given to benefits to the economy, which may include, but are not limited to:

(a) Capital investments by the Class IA resource to improve long-term viability of an existing facility;

(b) Payments by the Class IA resource for the harvest of wood fuel;

(c) Employment resulting from the Class IA resource;

(d) Payments by the Class IA resource to a host community, whether or not required by law or rule;

(e) Excise, income, property and sales taxes paid by the Class IA resource;

(f) Purchases of goods and services by the Class IA resource; and

(g) Avoided emissions resulting from the operation of the Class IA resource.

(3) A weight of 15% must be given to benefits to natural resource conservation. The commission must determine these benefits in consultation with the Department of Environmental Protection and the Department of Agriculture, Conservation and Forestry. These benefits shall include, but are not limited to:

(a) Avoiding or minimizing impacts to areas of ecological significance such as undeveloped habitat blocks;

(b) Avoiding or minimizing impacts to areas of agricultural significance such as prime agricultural soils and soils of statewide significance;

(c) Locating fully or partially on, or in close proximity to, disturbed, developed, or contaminated lands.