



TESTIMONY OF CLEARWAY ENERGY GROUP
COMMITTEE ON ENERGY, UTILITIES AND TECHNOLOGY

LD 1350 – Neither oppose nor support

April 20, 2021

Dear Chairman Lawrence, Chairman Berry and members of the Committee:

Thank you very much for the opportunity to present Clearway's perspective on LD 1350.

We are in the somewhat unusual position of being neither for nor against this bill, yet very much wishing to express our views to the committee, so I hope you will indulge me for a moment to explain.

Two years ago, albeit in person in the Cross Building and not on Zoom, Clearway expressed our strong support for LD 1494. For years, Clearway – and early stage developers before us – had been developing County Wind, a substantial wind energy arm located in Southern Aroostook County. In the lead up to Tranche 1 of the RFP being issued, Clearway worked diligently, as did every bidder in that proceeding, to line up community support, to sharpen our pencils and put our best foot, and our best price, forward. We had hoped that we would have a leg up in the competition, with a relatively large site and impressive economic benefits to Aroostook County and the state.

Unfortunately, in retrospect, LD 1494 had a fatal flaw for County Wind and pretty much every other prospective wind farm in Maine: Although the competition was open to many different sources of energy, the reality is that large, new wind farms – despite their cost efficiencies and robust capital investments – need new transmission lines to operate. Wind farms are located where the wind is strong, and in Maine, that means rural parts of Northern and Western Maine, far from significant population centers and the ability to easily latch onto the existing electric grid. Most utility scale solar farms, by contrast, do not have this problem. It is no surprise that all but one of the Tranche 1 awards went to solar projects.

To be clear, Clearway sees the kind of long-term procurement within LD 1350 as key to growing the state's renewable energy industry and meeting climate goals, and we are grateful to Senator Vitelli and the co-sponsors of this bill. We stand with every other renewable energy company here, with our collective investments and jobs on the line, in support of the core principles in this bill.

Our primary concern is that LD 1350, which hews almost exactly to LD 1494 of two years ago, will repeat this implicit bias, and that Maine, particularly Aroostook County, and Maine's climate progress will lose once again.

To put in perspective what will be lost: At full capacity, County Wind will invest more than a billion dollars in Maine's electric infrastructure, making it one of the largest-ever development projects in Northern Maine. Hundreds upon hundreds of construction jobs would be created over multiple years to build it. We would look

to Maine-based contractors to do as much of the work as possible, keeping benefits within the state. Millions and millions in new taxes would go to the state. For Aroostook County, County Wind would be transformative, not only in terms of taxes or a tax increment financing district, but by making a bold step into the innovation economy of the future.

What could also be lost are the unique characteristics of wind energy in Maine's changing energy mix. Wind and solar generating plants have very different characteristics: Solar's highest generation is in the summer; wind operates at highest capacity in the winter, when prices are higher. With more electric cars and beneficial electrification waiting in Maine's future, County Wind could potentially serve as the first, southernmost step in a tall ladder of other renewable energy investments that deliver power at this peak time. People in Aroostook County have been hoping for exactly this kind of investment for decades – and with one fell swoop, Maine could make a quantum leap toward meeting both the 2030 and 2050 climate goals as well.

I had hoped to make a long story short, but it is too late for that. To sum it all up, renewable energy providers all want a chance to do our part to help build Maine's renewable energy future. Clearway urges the committee to consider a fresh approach to procurement that plans for the long term, transforms socially vulnerable communities like Aroostook County and allows all renewable resources to compete on a cost basis, and not merely a transmission basis.

That could be achieved through specific carveouts for wind versus solar and other technologies, and providing a separate value or bonus for projects that add transmission that can benefit multiple projects and socially vulnerable communities. We would also ask that the committee set the procurement at a total of 800-900 megawatts, to align with the recommendations of the State of Maine Renewable Energy Market Assessment.

Thank you very much for your consideration of Clearway's views.

Respectfully submitted,

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