

April 19, 2021

Joint Committee on Energy, Utilities and Technology
Cross Building, Room 211
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**Public Testimony of Brookfield Renewable on LD 1350 –
*An Act to Expand Maine’s Clean Energy Economy***

Chair Lawrence, Chair Berry and members of the Joint Committee on Energy, Utilities and Technology:

Brookfield Renewable appreciates the opportunity to provide testimony in support of the general intent of LD 1350, which directs long-term contracting of new grid-scale renewable energy resources. Although Brookfield Renewable supports the goal of additive procurement, we offer recommended enhancements to LD 1350 that support resource diversity and resource retention.

Throughout Maine Brookfield Renewable owns and operates 46 hydropower stations totaling 622MW of installed capacity, 219MW of windpower and a 20MW/40 MWh battery located in Millinocket. Brookfield Renewable has over 100 employees in Maine and supports 275 indirect jobs across the State. Each year, Brookfield Renewable invests millions of dollars in capital projects in Maine. Brookfield Renewable pays more than \$20 million in property taxes in Maine annually, which provides critical funds for local schools, fire departments and public services.

Allow Class IA Resources Repowered After June 30, 2021 to Participate as New Resources.

Brookfield Renewable urges the eligibility of Maine wind projects repowered after June 30, 2021 as part of the definition of new resources eligible for additive long-term renewable energy procurement(s). Maine’s legacy wind projects – including Brookfield Renewable’s Mars Hill Wind project in the town of Mars Hill in Aroostook County – can benefit from advancements in technology that offer the potential for incremental generation and improved performance.

However, the timing and viability of investing in a repowering will depend on the availability of a long-term commercial arrangement as well as the prospect of further declining federal tax credits. This makes eligibility under near-term procurement critical.

Importantly, repowering would ensure these projects will continue operating in a manner that maximizes Maine's wind resource – including delivering incremental energy production – while also promoting technological and geographic diversity and optimization of land use and existing infrastructure as Maine advances toward 100% renewable energy. Eligibility under future Class IA procurement supports these goals and, through additional competition, provides added assurance that Maine ratepayers will be realizing the benefits of renewable energy at lowest costs. Repowering also fits within the broader economic development goals of additive procurement, including promoting:

- Creation of dozens of construction jobs;
- Effective addition of project operations jobs through retention of positions that would be lost if a project is decommissioned;
- Several million dollars in short term economic impacts; and
- Long term commitments on local property taxes and other ancillary benefits.

Establish a Procurement Carve-out for Existing Class IA Resources, including a Co-located Energy Storage Requirement.

Brookfield Renewable supports efforts to expand Maine's reliance on renewable energy and grow Maine's clean energy economy and we appreciate that LD 1350 seeks to build upon the successes of the Legislature's 2019 Class IA procurement directives (LD 1494) by requiring additional procurement for energy and/or RECs from Class IA resources. Absent from LD 1350, however, is the consideration of existing Class IA resources.

Brookfield Renewable understands the preference for policies that spur new construction and long-term jobs, as well as the incremental host community or tax payments that accompany new build. What is often overlooked by focusing only on new deployment, however, is the economic impacts of resources currently operating, including providing family-sustaining jobs, reliance on local vendors and contractors that support facility operations and maintenance and significant

local tax payments. Contracting for existing resources secures these economic benefits and locks in environmental benefits by preventing the potential loss of baseline renewable energy.

To ensure future procurement leads to more optimal outcomes, including transmission system optimization and the retention of benefits Maine is currently realizing, Brookfield Renewable recommends a required procurement volume specific to existing resources, similar to LD 1494. An appropriate volume that balances the broader interests of Maine's renewable industry and its expansion should range between 10-25% of overall procurement.

The Committee should also encourage the deployment of energy storage co-located with participating existing Class IA resources. The Committee could achieve this either by including a requirement for co-located storage with any existing Class IA resource offer or by establishing additional weighting for energy storage as part of the PUC's evaluation of existing Class IA resource offers. Either approach should include the stated goal of better optimizing existing Class IA resources, including reducing curtailment to facilitate delivery of incremental renewable energy.

Develop More Stringent Project Viability Standards.

Brookfield Renewable supports the inclusion of criteria that limits speculation and diminishes the risk of awarded projects failing to reach commercial operation. However, the current language suggests either of the following would be sufficient: "the submission of a preapplication with the relevant siting authority or the submission of an interconnection request with the New England independent system operator." Brookfield Renewable encourages tighter language that includes the submission of an interconnection request with ISO-NE as a minimum requirement for participation. Advancing a project to the point of submitting an interconnection request represents certain project investment and site control milestones, and the inclusion of this as a definitive requirement would better address project attrition concerns than the current language provides.

Thank you for your consideration of our comments. Please don't hesitate to contact me directly to discuss any of these issues and concepts further.

Brookfield

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Sincerely,

A handwritten signature in black ink, appearing to read "Steve Zuretti". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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