

Hon. Stacey A. Fitts

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Testimony in support of **LD 336 - An Act To Encourage Research To Support the Maine Offshore Wind Industry**

Senator Lawrence, Representative Berry and members of the Joint Standing Committee on Energy Utilities and Technology, my name is Stacey Fitts and I am a resident of Pittsfield, Maine. I appear before you in support of **LD 336 - An Act To Encourage Research To Support the Maine Offshore Wind Industry.**

As an introduction, I was a member of the Ocean Energy Task Force, which was assembled through an executive order by then Governor John Baldacci. Its work was completed as outlined in a report presented in 2009. In the time leading up to the final report and since, much work has been done regarding advancing development of ocean energy in Maine, especially the offshore wind energy, specifically deepwater floating wind turbine technology. Despite all that work, there have been delays, setbacks and obstacles placed in paths of those working to advance the technology, and the ultimate goals set by the Task Force.

I encourage you to go back and read the report of the Ocean Energy Task Force. It can be found in a few places online. A Google search will bring you to: https://www.maine.gov/dmr/mcp/downloads/finalreport_123109.pdf.

I appear before you today to speak to one item in those recommendations that is the reason for this bill. The Task Force identified that there would be a need for contracting authority to be granted and guidance from the Legislature needed to advance development beyond just the conceptual and pilot stage. Like the other contracting efforts that this Committee has worked on various renewable technology, so too will offshore wind need the Legislature to offer direction to the Maine Public Utilities Commission to do their work. The groundwork and precedent in this regard are already established.

It is important that there is a recognition that new technology and the risks that come from creating an industry, have costs. Placing boundaries on what is a reasonable balance between cost and benefit is within the purview of this body. At a minimum, at least offering guidance to the MPUC as they negotiate terms of a contract is helpful.

There are benefits in considering how different impacts of contracts are to be evaluated. Transmission constraints of the current system and how those are to be handled as new generation is introduced into the system should be included in the MPUC's review. With very large contracts, such as potentially enabled with this authority, the MPUC will need tools that they can employ as mitigation of these impacts. Ratepayers do not need to carry all the risks when new projects are brought onto the system. It makes sense to include congestion risks as a cost carried by the developer. If those costs are to be socialized, then it should be clearly known and stated in any term sheet and not something that shows up unexpectedly as a surprise.

Twelve years have passed since the Ocean Energy Task Force completed its work. Despite that time, many of the challenges that we face, and solutions offered are still very valid and timely. It was recognized that many of the goals were well into the future, and we are fortunate that a few individuals and entities have not been discouraged and have pressed on to advance this effort. An industry with great economic potential will be created in offshore floating wind, will it be here, or will we stand aside and let the technology advance elsewhere? This bill is now needed as we approach the newest milestones in this journey.

I ask you to support LD 336, I am available for questions now, or at a future work session.