

Senator Lawrence, Representative Berry, Members of the Joint Standing Committee on Energy, Utilities and Technology my name is Thomas Welch, and I live in Hancock, Maine. I served as Chairman of the Maine Public Utilities Commission from 1993 to 2005, and again from 2011 through 2014. I am here to testify in favor of LD 336.

While chairman of the PUC, I participated in a case considering the value of fostering a significant role for Maine in the development of electricity generation using floating offshore wind turbines. In a decision in 2014, Commissioner Littell and I shared the following view:

"The commitments in the Proposed Term Sheet that require MAV to develop Maine-based contractors and supply chain and to collaborate with the UMaine ensure that a significant portion of the knowledge creation benefits from the development of the Project will accrue in Maine. The participation of UMaine is especially relevant as it provides further assurance that centers of knowledge and training in this globally cutting-edge field will be centered within the State .... In addition to the direct, quantifiable spending on the R&D collaboration, a significant, but unquantifiable external benefit of an offshore wind project such as this is the social benefit of knowledge creation from technological development the will accrue to the State of Maine.

"[T]here is an unquantifiable, but nevertheless important, economic value associated with establishing Maine on the forefront of offshore wind development. This Project is the kind of investment contemplated by the Ocean Energy Act as the foundation for building a strong offshore wind industry in Maine. In addition, projects such as this establish Maine as a center for cutting edge development of this emerging technology and may capture the imagination and generate excitement among a new generation of talented professionals attracted to Maine. Retaining this young talent in Maine could only have a positive effect on Maine's demographic and economic future." (MAINE PUBLIC UTILITIES COMMISSON, Ocean Energy Long-Term Contracting, Docket No. 2010-235, ORDER APPROVING TERM SHEET (PART TWO), February 19, 2014, at )

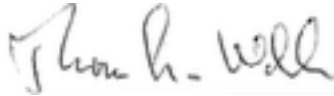
LD 336 is designed to achieve essentially the same research and renewable energy development goals, with the similar benefits to Maine, as the proposal before the PUC in 2014. In addition, LD 336 would enable Maine to move beyond research and development and into a meaningful level of production. I think this is an appropriate "next step" for Maine to take, in light of the rapidly worsening climate change crisis and the timely economic value the effort supported by LD 336.

I leave to others the more precise estimation of the costs and benefits of the PPA envisioned in LD 336, and I likewise offer no opinion of where this use of the capital available to Maine's citizens falls among the many worthy demands on that capital. But I do believe that participating in the global decarbonization effort is a moral imperative, that developing Maine based research, development and production relating to renewable energy in Maine is sound economic policy, and that the effort is sufficiently integral to electric energy that funding this effort with electricity customer money is reasonable.

One of the questions that those in Maine pondering Maine's economic future is "what does Maine have, or what can Maine develop, that the rest of the world might want to buy?" Maine's rich near offshore wind resource suggests to me that at least one of the answers is envisioned by LD 336: the prospect of an industry-leading, and exportable, renewable energy technology.

I respectfully ask the Committee to vote "ought to pass" on LD 336.

Thomas L Welch  
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