Testimony Neither for Nor Against L.D. 1026

Dirigo Solar LLC

March 16th, 2022

Senator Lawrence, Represetnative Berry, and distinguished members of the Energy, Utilities, and Technology Committee. My name is Lars Gundersen and I am a Project Manager at Dirigo Solar, based in Portland. We are neither for nor against L.D. 1026.

Dirigo, and our partners at BNRG Renewables, have developed and financed solar projects worth over $100 million in the State. Four projects (in Milo, Oxford, Fairfield, and Augusta) were built in 2020 and are now operational. three projects (in Hancock, Palmyra, and Winslow) were constructed during 2021 and will be coming online within a few weeks. And with our 2020 PUC award, another $50 million will be invested in projects in Eddington and Augusta in the coming years. We are also community solar developers, with several projects in the development pipeline.

We would like to provide feedback on the proposed amendment to Sec. 10. 35-A MRSA §3209-A, sub-§7 paragraph E as enacted by PL 2021 c. 390 section 1. Due to cluster study delays and other interconnection issues, the requirement enacted via L.D. 936 last year that NEB projects must reach their Commercial Operation Date (COD) by the end of 2024 is highly problematic for us and many other developers. Thus, we are pleased to see the proposal to change this requirement to achieving mechanical completion by the end of 2024. This puts achievement of this crucial final NEB grandfathering milestone under developer's control rather than under the control of the utilities.

However, we would like to suggest what we believe to be a fairer approach that will also save the PUC significant time and effort on so-called Good Cause Exemptions come January 2025: In order to remain eligible for NEB, require projects to reach mechanical completion by the end of 2024 *unless* the relevant utility has not yet completed network upgrades identified as part of their cluster study process. On several cluster studies, we are currently being told that network upgrades will take 5-7 years, and, as we hope the Committee can appreciate, are reluctant to build a project to mechanical completion and then not operate it for 3 years, particularly when the cost and outcome of required network upgrade is often unknown until it is completed.

In the case where these network upgrades are not completed by the end of 2023, we would suggest that projects must be mechanically complete within one year of said network upgrades being completed (note that we suggest this applies where network upgrades are not complete by the end of 2023: We hope that this will avoid a scenario in which a utility finishes its upgrades in mid-December of 2024 and a developer is then faced with the impossible task of bringing a project to mechanical completion within a matter of weeks).