



TESTIMONY OF CLEARWAY ENERGY GROUP ON LD 1830  
COMMITTEE ON ENERGY, UTILITIES AND TECHNOLOGY  
May 19, 2023

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

My name is Dan Hendrick, and I am head of External Affairs – East Region, for Clearway Energy Group (“Clearway”). I’d like to thank the Committee for the opportunity to offer Clearway’s perspective on LD 1830, *An Act To Advance Maine’s Clean Energy Goals*.

**Clearway supports the intent of LD 1830 to continue Maine’s efforts to fight climate change and grow its clean energy economy. We are grateful for the bill sponsor’s longtime leadership in these areas. Our main point of concern is the scoring methodology. As drafted, this bill will heavily favor grid-scale solar projects to the exclusion of other technologies that would otherwise allow the state to enhance grid reliability and reduce its dependence on expensive natural gas during the winter peak.**

About Clearway

Clearway is one of the largest developers and operators of clean energy in the United States with nearly 6 gigawatts of wind, solar, and energy storage in operation operating in 28 states. Clearway differs from other renewable energy providers because our company is the long-term owner/operator of our assets; therefore, our focus is on markets, projects and product offerings that are stable and sustainable for the long term.

Clearway has a well-established presence in the Northeast, with large solar fleets in Massachusetts and New York. Here in Maine, Clearway also owns County Wind, a proposed wind energy facility with an operating capacity located in southern Aroostook County. Now in the advanced stages of project development, County Wind has been identified as one of the most attractive sites in northern Maine for its combination of scale and quality of wind resource.

As drafted, LD 1830 will heavily favor grid-scale solar projects

Clearway is concerned that, absent several edits to the bill, the emphasis on “benefits to ratepayers” will in practice effectively bar most technologies from participating – even if those technologies would otherwise address reliability and fuel diversity, reduce the state’s winter dependence on costly natural gas during the winter or provide opportunities to advance regional cooperation.

The U.S. Energy Information Administration's most recent report on levelized costs of new generation resources<sup>1</sup> indicates that a solicitation that strongly prioritizes cost will lead to an overabundance of grid-scale solar awards. The results of other recent procurements in the state that prioritized cost in scoring criteria demonstrate this likely outcome. For example, in Maine's 2020-2021 3210-G renewables procurement, solar bidders won 19 out of 20 awards for new facilities, and the one wind project that was selected was already under contract for energy with another party, and so the Maine PUC procured only the wind project's RECs.<sup>2</sup>

An influx of additional large grid-scale solar projects may not be what Maine wants or needs, particularly when it comes to combating high winter heating bills that disproportionately harm low- and moderate-income residential ratepayers. The capacity factor of grid-scale solar diminishes during the winter, when natural gas use and prices are at their highest. Onshore wind in Northern New England, to provide a contrasting example, provides a higher capacity factor during the winter, thereby shaving winter peak costs. Such winter peak benefits are even greater when the expected increase in electric vehicle penetration and beneficial electrification of heat pumps are factored into planning for future years.

The rising cost of natural gas is the key driver behind the dramatic increase in Maine's 2023 high standard-offer service rates by Versant and CMP. It would be a tremendous missed opportunity to not align this procurement with Maine's goal of a less natural-gas dependent electricity system.

To that end, Clearway recommends:

- The bill be modified to create technology-specific lanes to provide opportunities for each resource type. Solar farms would compete against solar farms, wind power plants against wind power plants, instead of pitting technologies with dramatically different cost and benefit profiles against one another.
- If specific lanes are not feasible, cap the aggregate awards made to any single resource type to no greater than 50 percent of the total megawatt-hours awarded.
- Directing the PUC to weigh a more comprehensive suite of "benefits to ratepayers," such as fuel diversity, reliability, winter peak-shaving benefits, the likelihood of displacing natural gas generation, and the ability to demonstrate regional cooperation in tackling transmission challenges as prioritized by Gov. Mills and the other New England Governors.<sup>3</sup>
- Allow bidders to evidence project maturity by requiring them to have filed an application for a System Impact Study or a cluster-enabled Large Generator Interconnection Request with ISO-NE (the latter is not currently included and will ensure developers have skin in the game).
- Delete subsection 2(C)2, which conflicts with an open PUC docket. On March 3, 2023, several parties filed a petition that asks the PUC to examine the impact of congestion and curtailment on state contracts.<sup>4</sup> The PUC is actively examining the matter, having issued a list of questions to stakeholders

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<sup>1</sup> [https://www.eia.gov/outlooks/aeo/pdf/electricity\\_generation.pdf](https://www.eia.gov/outlooks/aeo/pdf/electricity_generation.pdf)

<sup>2</sup> <https://legislature.maine.gov/doc/9957>

<sup>3</sup> <https://www.coneg.org/wp-content/uploads/2019/03/New-England-Governors-Statement-of-Cooperation-on-Regional-Energy-3-15-19.pdf>

<sup>4</sup> <https://mpuc.cms.maine.gov/CQM.Public.WebUI/MatterManagement/MatterFilingItem.aspx?FilingSeq=118252&CaseNumber=2023-00054>

on May 1. Clearway strongly recommends allowing the PUC to complete its review and weigh the full ecosystem of stakeholder viewpoints on this complex issue before including this language.

Clearway appreciates the opportunity to provide these comments. Please feel free to contact me with any additional questions.

Respectfully submitted,

/s/ Dan Hendrick  
Head of External Affairs - East  
Clearway Energy Group  
[dan.hendrick@clearwayenergy.com](mailto:dan.hendrick@clearwayenergy.com)  
(917) 207-8715