## For a thriving New England



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Testimony before the Committee on Energy, Utilities and Technology in support of Senator Lawrence's proposed amendment to LD 1895: An Act Regarding the **Procurement of Energy from Offshore Wind Resources** 

## May 18, 2023

Senator Lawrence, Representative Zeigler, and members of the Committee on Energy, Utilities and Technology, my name is Sean Mahoney and I am vice-president and senior counsel at the Conservation Law Foundation (CLF). I appreciate this opportunity to testify in support of Senator Lawrence's proposed amendment to LD 1895: An Act Regarding the Procurement of Energy from Offshore Wind Resources.

CLF, founded in 1966, is a public interest advocacy group that works to solve the environmental challenges threatening the people, natural resources and communities in Maine and across New England. In Maine for almost four decades, CLF is a member-supported organization that works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis.

CLF supports Senator Lawrence's proposed amendment to LD 1895 because it authorizes the phased, competitive procurement of 2.8 gigawatts of offshore wind energy in the Gulf of Maine, which will strengthen Maine's economy by stabilizing energy costs, create thousands of new family-supporting clean energy jobs and will help Maine achieve its clean energy and climate mandates. Development of homegrown offshore wind will also increase Maine's energy independence and provide a long-term reliable and affordable source of energy.

The offshore wind energy procurements proposed in LD 1895 present many once-in-ageneration economic opportunities for Maine. As the 2023 Maine Offshore Wind Roadmap indicates, the state's proximity to abundant offshore wind resources in the Gulf of Maine promises new jobs in manufacturing, research and development, support services, ports and shipping, and gives Maine the opportunity to become a global leader in the emerging offshore wind industry. The industry is anticipated to generate nearly \$1 trillion in investment worldwide by 2040, and the proposed procurements offer an opportunity to improve job prospects and deliver economic development in disadvantaged areas of Maine that can benefit from enhanced employment opportunities, including increased annual employment opportunities.<sup>2</sup>

Maine's coastal and inland communities are already experiencing the harms of climate change, and the procurements proposed in LD 1895 will help mitigate those impacts and support

<sup>&</sup>lt;sup>1</sup> Maine Offshore Wind Roadmap, February 2023, https://www.maineoffshorewind.org/, at 20.

<sup>&</sup>lt;sup>2</sup> *Id.* at 21, 33.



the state's goals of achieving carbon-neutrality by 2045 and reducing greenhouse gas emissions by 80 percent by 2050.<sup>3</sup> The impacts of climate change are being felt throughout Maine, including more frequent severe storms, altered seasons, increased public health concerns, and damage to vital ecosystems and infrastructure, and the state's inland communities are seeing warmer winters, drier summers, and an increased incidence of powerful storms that cause damage to vital infrastructure and the economy.<sup>4</sup> The procurements in LD 1895 will help Maine meet its renewable energy goals and advance the beneficial electrification of its heating and transportation sectors, which will further mitigate the impacts of climate change.

LD 1895 contemplates multi-state coordination on the offshore wind generation and transmission procurements, which presents opportunities for lowering overall costs. Specifically, LD 1895 explicitly authorizes the Maine Public Utilities Commission (Commission) to coordinate with other jurisdictions, including other New England states, on solicitations for offshore wind energy. Such coordination helped offset costs to Maine ratepayers in the procurements underway for the Northern Maine Renewable Energy Development Program. Further, LD 1895 requires the Commission to coordinate with other states on the solicitation and procurement of transmission. This approach corresponds to the ongoing regional collaboration on transmission to support offshore wind resources under the "New England States Transmission Initiative." As a 2021 report from the Maine Governor's Energy Office indicated, multi-state coordination on transmission can lower overall costs.

To that end, we do suggest one specific change to the proposal before you that we believe would increase the flexibility for the state to coordinate procurements with other New England states. Presently section 8(C) of the legislation requires the PUC to "ensure that any subsequent solicitation occurs within 24 months of a previous solicitation." We would suggest that language be modified so that any subsequent solicitation must occur within 36 months of a previous solicitation. Specifically, we would suggest the following modification of section 8(C):

## Revise Section 8(1)(c) as follows:

C. The phased procurement schedule for solicitation of floating extraterritorial wind projects or portions of projects must (a) ensure that any subsequent solicitation occurs within 24 months of a previous solicitation; and (b) facilitate alignment and coordination with procurements of floating extraterritorial wind projects and transmission infrastructure

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<sup>&</sup>lt;sup>3</sup> Id. at 7; see also 38 M.R.S. § 576-A (1)-(3), <a href="https://legislature.maine.gov/statutes/38/title38sec576-A.html">https://legislature.maine.gov/statutes/38/title38sec576-A.html</a>.

<sup>&</sup>lt;sup>4</sup> *Id*. at 27.

<sup>&</sup>lt;sup>5</sup> Maine Public Utilities Commission, "Commission Issues Key Decision to Move Forward with Northern Maine Renewable Energy Projects," January 31, 2023, <a href="https://www.maine.gov/tools/whatsnew/index.php?topic=puc-pressreleases&id=10285146&v=article088">https://www.maine.gov/tools/whatsnew/index.php?topic=puc-pressreleases&id=10285146&v=article088</a>.

<sup>&</sup>lt;sup>6</sup> https://newenglandenergyvision.com/new-england-states-transmission-initiative/.

<sup>&</sup>lt;sup>7</sup> Maine Governor's Energy Office, "Renewable Energy Goals Market Assessment," prepared by Energy and Environmental Economics and Applied Economics Clinic, March 2021, <a href="https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/renewable-energy-market-assessment">https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/renewable-energy-market-assessment</a>, at 2.

conducted by either other New England states or entities procuring on behalf of other New England States. Notwithstanding these requirements, in the event that the Commission finds that requiring a subsequent solicitation within 24 months of a previous aw foundation will inhibit alignment and coordination with the floating extraterritorial wind project and transmission infrastructure procurements of other New England states or entities procuring on behalf of other New England States, the Commission may delay a subsequent solicitation by an additional 12 months, but in no event may a subsequent procurement occur more than 36 months after a previous solicitation.

LD 1895 establishes important conditions for ensuring that the offshore wind resources are responsibly sited and that the benefits and burdens of the projects are equitably distributed. Solicitations for offshore wind energy and transmission are subject to bid requirements including: wildlife, fisheries and environmental mitigation plans; consultation, stakeholder engagement and community benefits plans; diversity, equity and inclusion plans; and workforce development plans. Importantly, LD 1895 also sets forth specific requirements for meaningful consultation with Maine's Tribes, and seeks to promote diversity, equity and inclusion, with particular consideration given to federally recognized and state acknowledged Tribes.

Thank you for the opportunity to submit testimony in support of Senator Lawrence's amendment to LD 1895.