



Natural Resources Council of Maine

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Testimony in Support of LD 1963, An Act Regarding the Future of Renewable Energy Transmission in Northern Maine

**To the Committee on the Energy, Utilities and Technology
by Jack Shapiro, Climate and Clean Energy Program Director
January 11, 2024**

Senator Lawrence, Representative Zeigler, members of the Energy, Utilities and Technology Committee, my name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM has been working for more than 60 years to protect, restore, and conserve Maine’s environment, on behalf of our 30,000 members and supporters. NRCM testifies in support of LD 1963, An Act Regarding the Future of Renewable Energy Transmission in Northern Maine.¹

This bill seeks to update legislation regarding renewable energy resources in northern Maine—a laudable effort designed to unlock the significant onshore wind potential that exists in Aroostook County, which will create significant economic benefits and substantially contribute to achieving Maine’s climate and clean energy goals.

This process began with the 2021 passage of LD 1710, An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine. This in turn led to the Commission selecting the King Pine project – a 1,000-MW onshore wind project – and the Aroostook Renewable Gateway transmission project to connect that new source of renewable energy to the New England grid. In 2023, NRCM testified in support of LD 924, a Resolve to Provide Legislative Approval of Northern Maine Transmission Infrastructure. Noting our interest in seeing these projects built with a minimum of environmental and community impacts, we urged the Legislature to approve the proposed transmission line as an important step in bringing these projects online in the service of addressing the urgent challenge of climate change — recognizing that the final route and many of the specific details would be addressed in subsequent permitting steps.

Transmission development is key to meeting Maine’s statutory climate and clean energy requirements, and to doing so affordably. According to Maine’s 2021 Renewable Energy Goals Market Assessment, “many lower-cost pathways to meet Maine’s RPS requirements in the next decade are achievable through the development of high-quality wind resources in western and

¹ https://legislature.maine.gov/bills/display_ps.asp?PID=1456&snum=131&paper=SP0799

northern Maine, which in turn require new transmission investments.”² LD 1710 explicitly recognized that “in advancing the renewable energy and climate policies and goals of the State, the near-term development of the transmission and other infrastructure necessary to reduce greenhouse gas emissions is in the public interest.”³ A 2022 Daymark Energy Advisors report showed that new wind projects of this scale both reduce emissions and put significant downward pressure on wholesale market prices by displacing more expensive generation resources.⁴

Meeting Maine’s goals must also occur in a regional context, and Massachusetts’ commitment to procure 40 percent of the projects’ generation and transmission made this effort a positive example of regional collaboration.⁵ Regional collaboration of this kind will benefit Maine in future efforts to decarbonize New England’s power sector through offshore wind development or other regional transmission efforts.

However, at the end of last year, the procurement was terminated, when the parties, overseen by the Public Utilities Commission (PUC) could not come to an agreement on a mutually agreeable contract.⁶ We understand that the Commission intends to initiate a new procurement process, and the amendment being considered today makes changes to help ensure that the process is successful the second time around, including additional encouragement around regional collaboration.

NRCM supports this effort, and would add a few additional modest suggestions:

- First, the Governor’s Energy Office and the Office of the Public Advocate should be included as participants in the contract negotiations once projects are selected. This would ensure that important public policy and ratepayer interests are represented in the negotiations, improving public trust in the results.
- Second, as it appears that differences in assumptions about risk allocation was one of the primary reasons negotiations could not be concluded successfully, authorizing the Commission to conduct pre-bid conferences with potential bidders would be beneficial,

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https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/GEO_State%20of%20Maine%20Renewable%20Energy%20Goals%20Market%20Assessment_Final_March%202021_1.pdf

³ <http://www.mainelegislature.org/legis/bills/getPDF.asp?paper=SP0563&item=5&snum=130>

⁴ https://cleanpower.org/wp-content/uploads/2022/12/ACP_Daymark_MarketEnv_Benefits_Final_Public.pdf

⁵ <https://www.pressherald.com/2023/01/31/northern-maine-wind-power-project-wins-puc-approval/>

⁶ <https://mpuc-cms.maine.gov/CQM.Public.WebUI/Common/ViewDoc.aspx?DocRefId={1047928C-0000-C915-85C1-DE73B07A9304}&DocExt=pdf&DocName={1047928C-0000-C915-85C1-DE73B07A9304}.pdf>

consistent with the direction given by this Committee to the Commission in the transmission section of LD 1895, last year's Offshore Wind procurement bill.⁷

We hope that these adjustments, along with those previously mentioned by the Commission, will result in a successful procurement and the successful construction of both components of the program. Bringing these projects to fruition will bring multiple benefits to Maine, providing the electric grid with a large volume of low-cost, Maine-made wind energy from Aroostook County — a win for Maine electricity consumers, and a potentially promising example of regional collaboration on our energy future.

We encourage the Committee to vote Ought to Pass on LD 1963 and would be happy to answer any questions you have.

Thank you.

⁷ The language is as follows: "The commission may host conferences with prospective bidders in advance of issuing solicitations under this section."