

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1710

S.P. 563

In Senate, May 18, 2021

An Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine

Received by the Secretary of the Senate on May 14, 2021. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by President JACKSON of Aroostook.
Cosponsored by Representative MARTIN of Eagle Lake and
Senators: LAWRENCE of York, VITELLI of Sagadahoc, Representatives: CUDDY of
Winterport, MARTIN of Sinclair, McCREA of Fort Fairfield.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §3210-H** is enacted to read:

3 **§3210-H. Northern Maine Renewable Energy Development Program**

4 **1. Program established.** The Northern Maine Renewable Energy Development
5 Program, referred to in this section as "the program," is established to remove obstacles to
6 the use of and to promote development of the substantial renewable energy resources in
7 northern Maine.

8 A. The commission shall administer the program in accordance with this section and
9 shall ensure that it accounts for the program and its purposes in:

10 (1) Achieving the State's renewable energy goals and administering the renewable
11 energy portfolio requirements pursuant to section 3210;

12 (2) Promoting the development of efficient biomass energy generation to diversify
13 the State's forest economy and to prudently dispose of wood waste pursuant to the
14 requirements of chapter 33;

15 (3) Achieving the State's wind energy generation goals and encouraging the
16 development of wind energy generation facilities in the State in accordance with
17 the Maine Wind Energy Act and chapter 34-A; and

18 (4) Achieving the State's solar energy generation goals and encouraging the
19 development of solar energy generation facilities in the State in accordance with
20 the Maine Solar Energy Act.

21 B. The commission shall ensure that, when applicable, its administration of the
22 program accounts for and is designed to:

23 (1) Support the State's achievement of the greenhouse gas emissions reductions
24 levels in Title 38, section 576-A;

25 (2) Support the strategies and measures included in the State's climate action plan
26 as adopted and updated pursuant to Title 38, section 577;

27 (3) Promote energy equity with particular consideration given to the economic
28 circumstances and opportunities in the State's socially vulnerable counties and
29 communities. For the purposes of this subparagraph, "socially vulnerable counties
30 and communities" means those counties and communities in the State containing
31 populations that are disproportionately burdened by existing social inequities or
32 lack the capacity to withstand new or worsening burdens; and

33 (4) Encourage the rapid development of renewable resources in northern Maine to
34 achieve greenhouse gas emissions reductions in the State and realize direct and
35 near-term economic benefits in northern Maine.

36 **2. Request for proposals; generation connection line.** On or before November 1,
37 2021, the commission shall issue a request for proposals for the development and
38 construction of a 345-kilovolt double circuit generation connection line, or, in the
39 commission's discretion, a transmission line or lines of greater capacity, to connect
40 renewable energy resources located in northern Maine and developed pursuant to
41 subsection 3 with the electric grid operated by the New England independent system
42 operator, referred to in this section as "the ISO-New England system."

1 A. The proposals must be required to cover a contract term of 20 years, except that the
2 commission may, in its discretion, approve a contract term longer than 20 years, and
3 must include provisions for the construction, development and subsequent commercial
4 operation of the line or lines described in this subsection.

5 B. The commission shall evaluate the proposals received based, at a minimum, on the
6 following factors: cost, economic benefit to northern Maine, the qualifications of the
7 bidder or bidders and the 3rd parties the bidder proposes to contract with, the long-term
8 viability of each proposal and the anticipated contribution of each proposal toward the
9 achievement by the State of its renewable energy goals described in subsection 1,
10 paragraph A and the other goals and purposes described in subsection 1, paragraph B.
11 The commission shall disqualify any proposal that, in the commission's determination,
12 fails to demonstrate the bidder's financial capacity to successfully construct, develop
13 and operate the line or lines described in this subsection and to ensure its
14 interconnection with the ISO-New England system.

15 C. The commission shall give preference to proposals that, in the commission's
16 determination, demonstrate the most cost-effective and efficient transmission access to
17 renewable energy resources in northern Maine in a manner that best supports the
18 achievement of the State's renewable energy goals under section 3210, the State's wind
19 energy generation goals under the Maine Wind Energy Act, the State's solar energy
20 generation goals under the Maine Solar Energy Act and the State's achievement of the
21 greenhouse gas emissions reductions levels in Title 38, section 576-A. The
22 commission shall also give preference to proposals favoring use of existing utility
23 rights of way and other existing transmission corridors in the construction of the line
24 or lines described in this subsection, wherever feasible.

25 D. The commission may consider and, in accordance with the applicable provisions of
26 this subsection and subsection 3, select a proposal or proposals that include both the
27 development and construction of the line or lines described in this subsection and the
28 development and construction of one or more qualified renewable energy generation
29 projects described in subsection 3.

30 E. No later than March 1, 2022, the commission shall direct one or more transmission
31 and distribution utilities to enter into a contract or contracts with qualified 3rd parties
32 pursuant to any proposal selected by the commission in accordance with this
33 subsection, except that, if at the close of the competitive bidding process the
34 commission determines that no proposal meets the requirements of this subsection, the
35 commission may reopen a new competitive bidding process under this subsection.

36 **3. Request for proposals; renewable energy generation projects.** The commission
37 shall issue a request for proposals for the development and construction of qualified
38 renewable energy generation projects in northern Maine designed to connect to and
39 transmit generated power using the line or lines to be constructed pursuant to subsection 2.
40 The commission shall make every effort to ensure that the competitive bidding process
41 directed by this subsection results in the selection of proposals for contracting pursuant to
42 paragraph E no later than May 1, 2022. Except as provided in paragraph B, subparagraph
43 (2), renewable energy generation projects on which construction commenced prior to
44 September 30, 2021 are not qualified for the purposes of this subsection.

1 A. The proposals must be required to cover a contract term of 20 years, except that the
2 commission may, in its discretion, approve a contract term longer than 20 years, and
3 must include provisions for the construction, development and subsequent commercial
4 operation of one or more qualified renewable energy generation projects in northern
5 Maine that will be designed to connect to and transmit generated power using the line
6 or lines to be constructed pursuant to subsection 2. The commission may consider only
7 proposals for the construction of the following categories of qualified renewable
8 energy generation projects: solar arrays and installations; wind power installations;
9 geothermal installations; hydroelectric generation projects; battery energy storage
10 systems; biomass generators fueled by wood or wood waste, by landfill gas or by
11 anaerobic digestion of agricultural products, by-products or waste; and waste-to-energy
12 generation facilities fueled by municipal solid waste.

13 B. The commission may, in its discretion, consider and select in accordance with the
14 applicable requirements of this subsection:

15 (1) One or more contracts for capacity resources or renewable energy credits from
16 a qualified renewable energy generation project described in this subsection,
17 whether or not such contract also provides for the transmission of energy generated
18 by that project; or

19 (2) One or more contracts for renewable energy generation projects on which
20 construction commenced prior to September 30, 2021, if the commission
21 determines that:

22 (a) Such a project otherwise meets the requirements of this subsection;

23 (b) Additional line capacity remains available on the line or lines to be
24 constructed pursuant to subsection 2; and

25 (c) There are no commercially viable proposals remaining for consideration
26 for qualified renewable energy generation projects on which construction
27 commenced or will commence on or after September 30, 2021.

28 C. The commission shall evaluate the proposals received based, at a minimum, on the
29 following factors: cost, economic benefit to northern Maine, the qualifications of the
30 bidder or bidders and any 3rd parties the bidder proposes to contract with and, as
31 determined by the commission, the short-term, medium-term and long-term viability
32 of the proposal.

33 D. The commission shall give greatest preference to proposals that, in the
34 commission's determination, demonstrate the most cost-effective and efficient
35 development of renewable energy resources in northern Maine in a manner that best
36 supports the achievement of the State's renewable energy goals under section 3210, the
37 State's wind energy generation goals under the Maine Wind Energy Act, the State's
38 solar energy generation goals under the Maine Solar Energy Act and the State's
39 achievement of the greenhouse gas emissions reductions levels in Title 38, section
40 576-A.

41 E. The commission shall direct one or more investor-owned transmission and
42 distribution utilities to enter into a contract or contracts with qualified 3rd parties
43 pursuant to any proposal selected by the commission in accordance with this
44 subsection, except that the total generating capacity of the projects contracted by the

1 commission pursuant to this subsection may not exceed the thermal limit of the line or
2 lines to be constructed pursuant to subsection 2. If at the close of the competitive
3 bidding process the commission determines that no proposal meets the requirements of
4 this subsection or that additional line capacity remains available, the commission may
5 reopen a new competitive bidding process under this subsection.

6 F. In selecting contracts pursuant to this subsection, the commission shall make every
7 effort to ensure that at least one such contract supports the construction and
8 development in northern Maine of a biomass generator fueled by wood or wood waste.
9 In considering any proposal under this subsection for a qualified renewable energy
10 generation project that is a biomass generator fueled by wood or wood waste, the
11 commission shall consider the waste reduction benefits to the State's forest products
12 industry associated with the operation of the generator.

13 **4. Regional electric grid integration and development.** When authorized and as
14 practicable, the commission, in implementing and administering the program under this
15 section, and the Office of the Public Advocate shall:

16 A. Make every effort to facilitate the construction and development of the line or lines
17 described in subsection 2, including, but not limited to, participating in any regional or
18 federal proceeding relating to the line or lines; and

19 B. Participate in proceedings involving the inclusion or integration of the line or lines
20 described in subsection 2 and any associated upgrades by the New England Power Pool
21 as defined in section 4103, or its successor as approved by the Federal Energy
22 Regulatory Commission, and the ISO-New England system into the ISO-New England
23 system's transmission plan, bulk power system and pool transmission facilities, as that
24 term is defined in the ISO-New England system's open access transmission tariff.

25 The commission, the Office of the Public Advocate and the Office of the Attorney General
26 may, separately or in combination, obtain any technical or legal assistance necessary to
27 ensure regional and federal interconnection and grid reliability standards are not employed
28 directly or indirectly to discourage the development of the renewable energy resources in
29 northern Maine under the program.

30 **SUMMARY**

31 This bill establishes the Northern Maine Renewable Energy Development Program, to
32 be administered by the Public Utilities Commission, with the purpose of removing
33 obstacles to the use of and promoting development of the substantial renewable energy
34 resources in northern Maine.

35 Under the program, the Public Utilities Commission is required to issue a request for
36 proposals for the construction and development of a 345-kilovolt double circuit generation
37 connection line, or transmission line or lines of greater capacity, in northern Maine to
38 connect renewable energy resources in northern Maine with the ISO-New England system.
39 The Public Utilities Commission is also required to issue a request for proposals for the
40 construction and development of renewable energy generation projects in northern Maine
41 that will be designed to connect to and transmit generated power using the line or lines. No
42 later than March 1, 2022, the Public Utilities Commission is required to direct one or more
43 transmission and distribution utilities to enter into contracts for the construction of the line
44 or lines. The Public Utilities Commission is also required to direct one or more investor-

1 owned transmission and distribution utilities to enter into a contract or contracts for the
2 construction and development of renewable energy generation projects with a total
3 generating capacity that does not exceed the thermal limit of the line or lines.

4 In implementing and administering the Northern Maine Renewable Energy
5 Development Program, the Public Utilities Commission is directed to make every effort to
6 facilitate the construction and development of the line or lines including participating in
7 any regional or federal proceeding relating to the line or lines and participating in
8 proceedings involving the inclusion or integration of the line or lines and any associated
9 upgrades by the ISO-New England system or the New England Power Pool into the ISO-
10 New England system's transmission plan, bulk power system and pool transmission
11 facilities.