



GOVERNOR

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PAUL R. LEPAGE

PATRICK C. WOODCOCK DIRECTOR OF GOVERNOR'S ENERGY OFFICE

January 30, 2014

Senator John Cleveland, Chair **Representative Barry Hobbins, Chair** Joint Standing Committee on Energy, Utilities and Technology 115 State House Station Augusta, ME 04333

Dear Senator Cleveland, Representative Hobbins and Members of the Committee on Energy, Utilities and Technology:

Pursuant to Title 35A MRSA §122 sub § 1-B (H), the Interagency Review Panel shall provide an annual report to the Joint Standing Committee on Energy, Utilities, and Technology documenting the activities of the Panel. This letter and accompanying materials are submitted to the Committee in fulfillment of this reporting requirement.

The Interagency Review Panel was established by LD 1786, An Act Regarding Energy Infrastructure, Public Law, Chapter 655  $(2010)^1$  to assess whether the utilization of interstate highway corridors for energy infrastructure could be beneficial to Maine people, and, if so, to negotiate the financial package for the use of the corridor for electricity transmission. The Panel is comprised of the Director of the Energy Office, MDOT, DAFS, OPA, Office of Policy and Management, and four members of the public appointed by the Governor.

The Panel's mandate is to carry out the following tasks:

- 1. Establish and implement a regular process for soliciting, accepting and evaluating energy infrastructure proposals for use of a statutory corridor. As part of this process, the panel shall provide public notice of the availability of the statutory corridor for energy infrastructure development, a description of the type of development anticipated in the statutory corridor and the opportunity for potential developers to submit proposals for use of the corridor.
- 2. Identify an initial range of value for the use of state-owned land or assets within a statutory corridor. The initial range of value must be determined by a professional appraiser who meets certain qualifications.
- 3. Evaluate and render a decision on energy infrastructure proposals for use of a statutory corridor.
- 4. If a proposal is accepted, the panel may enter into negotiations with the applicant(s) regarding a long term occupancy agreement with the State for the use of the corridor.

<sup>&</sup>lt;sup>1</sup> 35-A Maine Revised Statutes Annotated (MRSA) §122, as amended at subsection 1-B.D and 1-D by Public Law 2010, Chapter 655 (PL 655 or the Act) and the Panel Bylaws, Administration, and the Energy Infrastructure Proposal and Review Process

## Interagency Review Panel – Activities in 2012-2013

In 2012, the Panel developed and adopted rules which established the bylaws, administration, and the energy infrastructure proposal and review process. A copy of the rules is attached.

During late 2012 and 2013, the panel conducted the following activities:

- Accepted Letter of Interest (LOI) from National Grid/Bangor Hydro on a proposed 1100 MW underground transmission line (HVDC) from Orrington, Maine to Tewksbury, MA (230 miles), delivering northern New England wind and other resources into the NEMA/Boston Load Center
- Received update of other transmission projects underway in the region, as well as those in the development stage
- Received update on regional procurement activities related to transmission
- Discussion of statute and proposed bills (2013) to allocate/reallocate revenue from corridor
- Reviewed enacted bills LD 1517 and LD 1559, which changed the panel membership and reallocated potential corridor revenues
- Discussed the statutory conflict with existing federal law regarding allocation of corridor revenues (letter from US DOT attached)
- Discussed progress of regional efforts to procure large scale hydropower and electricity generated from renewable sources, which would affect the need for additional transmission and the potential value of the corridor
- Discussed securing technical assistance for development of RFP for valuation of corridor
- Developed draft RFP for an appraiser(s) to assist the panel in identifying a range of values for the use of the I-95/295/Maine Turnpike statutory corridor for energy infrastructure (available on The Energy Office website)
- Submitted annual filing to the Secretary of State regarding the Panel's activities (attached)

## **Members of Interagency Review Panel**

Patrick Woodcock, Director, Governor's Energy Office (Chair) Bruce Van Note, Deputy Commissioner, MDOT Terry Brann, State Controller (DAFS representative) Richard Rosen, Director, Office of Policy and Management Timothy Schneider, Public Advocate Barbara Alexander – public Member Timothy Agnew – public member Harrison Horning – public member Fenwick Fowler – public member

Respectfully submitted, this 30<sup>th</sup> day of January, 2014.

Páťřičk C. Woodćock Director Governor's Energy Office