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STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Philip L. Bartlett, II
CHAIRMAN

R. Bruce Williamson
Randall D. Davis
COMMISSIONERS

Harry Lanphear
ADMINISTRATIVE DIRECTOR

January 15, 2021

Honorable Mark W. Lawrence, Senate Chair
Honorable Seth A. Berry, House Chair
Energy, Utilities and Technology Committee
100 State House Station
Augusta, Maine 04333

Re: Report On the Community-Based Renewable Energy Pilot Program

Dear Senator Lawrence and Representative Berry:

During its 2009 session, the Legislature enacted An Act to Establish the Community-based Renewable Energy Pilot Program (P.L. 2009, c. 329). Part A of the Act establishes a community-based renewable energy pilot program, to be administered by the Commission, to encourage the sustainable development of community-based renewable energy projects. The Act provides incentives, on a pilot program basis, for the development of community-based renewable projects. The Act also directs the Commission to provide biennial reports to the Committee on the pilot program. Attached is the Commission's Report for your Committee's consideration.

If you have any questions, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to be 'P. Bartlett II'.

Philip L. Bartlett II, Chairman

On behalf of the Chairman
R. Bruce Williamson, Commissioner
Randall D. Davis, Commissioner
Maine Public Utilities Commission

Attachment

cc: Energy, Utilities and Technology Committee Members
Deirdre Schneider, Legislative Analyst



Maine Public Utilities Commission

Report on the Community-based Renewable Energy Pilot Program

Presented to the Joint Standing Committee
on Energy, Utilities and Technology

January 15, 2021

I. INTRODUCTION

During the 2009 session, the Legislature enacted An Act To Establish the Community-based Renewable Energy Pilot Program (Act).¹ Part A of the Act established a community-based renewable energy pilot program (CBRE pilot program), to be administered by the Commission, to encourage the sustainable development of community-based renewable energy projects.² In summary, the Act provided incentives, on a pilot program basis, for the development of community-based renewable projects.

The Act requires the Commission to provide biennial reports to the Legislature on the pilot program.³ Specifically, the Act provides:

The Commission shall develop and administer a system to register and track the development of community-based renewable energy projects and by January 15, 2011 and biennially by January 15th thereafter shall report to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters on the program and the development of community-based renewable energy projects. The report must include, but is not limited to:

1. Community-based renewable energy development.

Documentation of the progress of community-based renewable energy development, including the number of community-based renewable energy projects in the State, the generating capacity of those projects and the kilowatt-hours of electricity purchased from community-based renewable energy projects; and

2. Program implementation; assessment; recommendations.

Actions taken by the Commission to implement the program, an assessment of the effectiveness of the program with respect to encouraging the sustainable development of community-based renewable energy in the State and recommendations, including any necessary implementing legislation, to improve the program.

The Commission hereby submits this report to the Energy, Utilities and Technology Committee on the status of the CBRE pilot program.

II. THE PILOT PROGRAM

The Commission has provided a detailed description of the pilot program and the changes made in the 2015 legislative session, a summary of the competitive solicitations conducted by the Commission since 2010, reports on project development status and the Commission's observations regarding programmatic features in the reports to the Committee submitted in 2011, 2013, 2015, 2017 and 2019.

¹ P.L. 2009, c. 329.

² 35-A M.R.S. §§ 3601-3609.

³ 35-A M.R.S. § 3607.

In summary, the program encouraged the development of small, community-based renewable generation by authorizing long-term contracts for the purchase of electricity produced by renewable generators of 10 MW or smaller for a term of up to 20 years at a price of up to 10 cents per kilowatt-hour (kWh). The program also required that 51% or more of the facility must be owned by qualifying local owners. The total installed generating capacity of all program participants in the pilot program combined was capped at 50 MW.

The Commission's authority to award contracts pursuant to the CBRE pilot program expired as of December 31, 2015 and projects were required to begin generating electricity no later than December 31, 2018. As shown in Table 1 below, seven projects totaling 36.8 MW of installed generating capacity achieved commercial operations by the deadline. The contract purchase price ranges from 8.45 to 10.0 cents per kWh. Above-market costs associated with these agreements are recovered through the utilities' stranded cost proceedings. Those costs and kilowatt hours purchased from these facilities for the most recent twelve-month period available are also shown in Table 1.

Table 1: Community-Based Renewable Energy Pilot Program Contracts							
Interconnecting Utility	Project	Resource	Capacity (MW)	Pricing Terms (cents per kWh)	Term (Years)	MWH Generated TME 11/30/20	Above Market Costs TME 11/30/20
Versant Power	Pisgah Mountain	wind	9.0	9.3	20	57,456	\$4,646,006
CMP	Athens Energy	biomass	7.1	9.9	20	58,594	\$4,494,563
Versant Power	Exeter Agri-Energy	anaerobic digestion	3.0	Phase 1: 10.0 Phase 2: 8.5	20	11,850	\$832,887
CMP	Georges River	biomass	7.5	9.9	20	51,660	\$3,933,416
CMP	Pittsfield Solar	solar PV	9.9	8.45	20	15,908	\$1,026,048
CMP	Goose River Hydro	hydro	375 kW	10.0	20	-	\$0
Total CBRE			36.5			195,468	\$14,932,920

III. CONCLUSION

As noted, the Commission has provided its observations with respect to this program in prior reports and has nothing additional to offer at this time.