

# MAINE STATE LEGISLATURE

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# **Maine Public Utilities Commission**



## **Community Based Renewable Energy Pilot Program Report**

**Presented to the  
Joint Standing Committee on  
Energy, Utilities and Technology  
January 27, 2023**



## I. INTRODUCTION

During the 2009 session, the Legislature enacted An Act To Establish the Community-based Renewable Energy Pilot Program (Act).<sup>1</sup> 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.<sup>2</sup> 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.<sup>3</sup> 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, 2019 and 2021.

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

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<sup>1</sup> [P.L. 2009, c. 329](#)

<sup>2</sup> [35-A M.R.S. §§ 3601-3609](#)

<sup>3</sup> [35-A M.R.S. § 3607](#)

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, six projects totaling 36.88 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. For the 12-month period ending November 30, 2022, the net cost of the agreements (i.e. wholesale market revenue net of contract costs) resulted in savings to ratepayers of approximately \$2.5 million. The net costs and kilowatt hours purchased from these facilities for the most recent twelve-month period available are also shown in Table 1.<sup>4</sup>

Interconnecting Utility	Project	Resource	Capacity (MW)	Pricing Terms (cents per kWh)	Term (Years)	MWH Generated TME 11/30/22	Above Market Cost (Savings) TME 11/30/22
Versant Power	Pisgah Mountain	wind	9.00	9.3	20	28,553	\$ (126,426)
CMP	Athens Energy	biomass	7.10	9.9	20	58,828	\$ (1,160,007)
Versant Power	Exeter Agri-Energy	anaerobic digestion	3.00	Phase 1: 10.0 Phase 2: 8.5	20	13,036	\$ (264,862)
CMP	Georges River	biomass	7.50	9.9	20	39,297	\$ (644,137)
CMP	Pittsfield Solar	solar PV	9.90	8.45	20	17,135	\$ (299,329)
CMP	Goose River Hydro	hydro	0.38	10	20	-	
<b>Total CBRE</b>			<b>36.88</b>			<b>156,849</b>	<b>\$ (2,494,761)</b>

### III. CONCLUSION

In our long-term contracting report submitted on January 3, 2023, the Commission suggested amending 35-A M.R.S. § 3210-C(3) to remove the reporting requirement for community-based renewable energy pilot program solicitations because 35-A M.R.S. § 3610 specifies that the Commission may not issue an order after December 31, 2015, directing an investor-owned transmission and distribution utility to enter into a long-term contract nor allow a consumer-owned transmission and distribution utility to enter into a long-term contract related to community-based renewable energy pilot program projects. Additionally, this biennial report provides the same information that is included in that report. The Commission finds these two reporting requirements to be duplicative and would suggest that the Committee explore removing this reporting requirement and amend section 3210-C(3) to only require the Commission report on the stranded costs associated with long-term contracts for community-based renewable energy projects.

Otherwise, as noted, the Commission has provided its observations with respect to this program

<sup>4</sup> Goose River Hydro's contract was terminated by CMP on January 29, 2020, due to the fact that Goose River had not delivered Energy for a period of greater than six months.

in prior reports and has nothing additional to offer at this time.