



# 130th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2021

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Legislative Document

No. 1710

S.P. 563

In Senate, May 18, 2021

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

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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.