



Natural Resources Council of Maine

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March 19, 2019

Senator Mark Lawrence, Chair
Representative Seth Berry, Chair
Joint Standing Committee on Energy, Utilities & Technology

Testimony of the Natural Resources Council of Maine

In Opposition to LD 1027, “An Act to Eliminate the 100-megawatt Limit on Hydroelectric Generators under the Renewable Resources Laws”

My name is Dylan Voorhees and I am the Clean Energy Director for the Natural Resources Council of Maine. Thank you for allowing me to present this testimony.

NRCM has been a steady supporter of Maine’s Renewable Portfolio Standard (RPS) since 2007 when Representative Ken Fletcher (R-Winslow) proposed what became the Class I RPS. We oppose this bill, which would provide no significant benefits to ratepayers or the increased production of renewable energy, and could risk the progress we’ve made to-date to grow Maine’s renewable energy economy.

A version of this bill has been introduced, and defeated on a bipartisan basis, at least five previous times in the last several sessions of the legislature:

128th

LD 532, An Act to Remove the 100-megawatt Limit on Hydroelectric Generators under the on Renewable Resources Laws – Majority ONTP

127th

LD 132, An Act to Remove the 100-megawatt Limit on Renewable Sources of Energy – Majority ONTP
LD 1339, An Act to Provide Relief to Maine Ratepayers – Majority ONTP

126th

LD 646, An Act to Remove the 100-megawatt Limit on Renewable Sources of Energy – Majority ONTP

125th

LD 1863, An Act to Lower the Price of Energy for Maine Consumers – Majority report kept 100 MW limit

The purpose of an RPS, which today exist in most states, is to stimulate market demand for new investments in renewable energy, in order to diversify our portfolio mix and transition away from our reliance on fossil fuels for power. Fossil fuels are used to generate roughly half of our electricity demand. Maintaining this mix is undesirable for many reasons, from pollution and public health impacts, to costs for businesses and families, to overdependence on fuels that we must import at great expense and insecurity. Renewable energy includes different sources of generation, but as a whole they are far less polluting, sustainable and stable over the long-term, and “made in Maine.”

Protecting the Nature of Maine

New renewable energy generation faces several market barriers, many stemming from the fact that our entire energy system—from policies to markets to physical infrastructure—has been oriented for many decades towards oil, gas and coal. Our federal government has spent hundreds of billions of dollars over the decades to subsidize oil, gas and coal extraction, processing and generation, while spending a small fraction on renewables. The cumulative effect of decades of lopsided subsidies has left the energy playing field very unequal.

Interestingly, there have been similar government subsidies for large scale hydro by our Canadian neighbor to the north. This bill would allow a large, government-backed foreign utility, such as Hydro Quebec, to become eligible for *our* Renewable Portfolio Standard credits. **HydroQuebec does not need to receive benefits from Maine ratepayers any more than big oil or big coal do in the U.S.** Nor would Maine's economy benefit from providing them.

In recent years London Economics International was hired by the Maine PUC to conduct a cost-benefit analysis of Maine's RPS. Their objective analysis found that our RPS, in combination with those of the other New England states, will continue to provide major economic and employment benefits to the state. **If the purpose of this bill is shift ratepayer support for renewables into Canada, then it directly follows that it will correspondingly lower the benefit to our economy that comes from investments in renewable energy.** And in doing so, it could increase our dependence on a foreign source of power.

Because of some of the confusing rhetoric around this issue it is important to set some facts straight.

First, this bill is about Canadian mega-hydro and has nothing to do with existing or possible Maine hydropower. There are no, and are very unlikely to ever be, any dams in Maine or New England greater than 100 MW.

Second, nothing would prevent HydroQuebec—or any other generator—from selling power into Maine today for the portion of Maine electricity demand not covered by the RPS.

For all of these reasons we urge you to vote this bill down as the legislature has in the past.

Thank you.