

An Introduction to Maine's Energy Siting Long-Term Contracting Considerations

Presented to:

***VT Energy Generation
Siting Policy Commission***

Meeting #2 – Learning from Other States
(Nov 14, 2012)



General Description & Context for Energy Generation Siting Process

- What is threshold for review (size/type of projects)
 - Primary authority for siting: Maine Dept. of Environmental Protection/MPUC is long-term contracts and RPS certifications
 - Are there opt-in options? Yes for small projects
- Total Overall # Energy Generation Sites:
- Total MW installed: 3000+MW (397 wind, 733 hydro, 768 biomass, tidal)
- Energy Generation projects/applications considered (average/year) 2-6
- # of projects/applications approved and denied (average/year or most recent year) ~ 80 % approval overall

Long-Term Contracting Approval Practices #1

- Authorizing agency/members: Maine PUC
 - Enabling statute: 35-A M.R.S. 3210-C
- Staffing of Long-Term Contracting process:
 - Three technical analysts, two attorneys
- Coordination of state-level permit issuance with other agencies: The MPUC does not coordinate its long-term contracting with other agencies
- Timeline for review/deadline or decision: There is no deadline for review and decision.

Long-Term Contracting Approval Practices #2

- Substantive Criteria & Standards overview:
 - Primary standard: Benefits to ratepayers through lower rates, reduced volatility, reduced transmission costs, increased reliability
 - Priority given to energy efficiency and new renewable resources
- Appeals process/authority: Maine's Supreme Judicial Court
- Any expedited processes for certain projects?
 - Process can be flexible if there is a need to expedite

Public Participation/Representation mechanism

- How do you capture public opinion/evidence as part of the deliberative process: Interested may comment on proposed term sheet or contract prior to MPUC considerations
 - Party status: any interested person
 - At what stage(s) of the process: prior to MPUC deliberation
- What support is provided? N/A
- How do you deal with costs of participation (for experts, for example)? Costs paid through MPUC consulting budget
- Role of Town or Regional Planning Commissions
statutory/decision? No

Alternative Dispute Mechanism

- Does it exist (formally or informally)? No formal mechanism exists for long-term contracting process
- Who is responsible? N/A
- At what point in the process is it available? N/A
- Who pays? N/A
- If yes, how often utilized? N/A
- Does it work? (pros & cons) N/A

Adequate protection of lands, environmental & cultural resources

- Which environmental permits are required?
 - Maine's Department of Environmental Protection issue Site Location law, NRPA, stormwater and water permits. Maine PUC does not issue such permits or consider land-use issues when considering long-term contracts but may when certifying a generator for REC under Maine's RPS.
- Are they a pre-requisite or subsequent condition to granting of overall siting approval? No
- How is cumulative impact of multiple projects measured? Is a DEP criteria, DEP has guidance
- Do permits adequately address all environmental concerns? Yes

Monitoring Compliance

- What is the system for monitoring compliance with permit conditions?
 - Maine DEP permits often have compliance testing (noise, bird & bat mortality, mitigation)
 - Including impacts of approved and built facilities yes if in permit
 - During construction as well as post construction?
Stormwater is big construction, post is noise/bird&bat
 - For what time period? Varies, 1-3 years
 - Staffing or budget? Outside monitoring by applicant funding, DEP monitoring within budget

Strengths and Weaknesses

- Strengths – quantitative and qualitative criteria for wetland, bird habitat, vernal pool; in lieu fee authority
- Weaknesses
- If there were anything you would change, what would it be? Assess some curtailment if bird/bat impacts significant
- Based on experience, key recommendations for others: all energy infrastructure (development) has environmental footprint